

105TH CONGRESS
1ST SESSION

H. R. 2159

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 5, 1997

Received

AN ACT

Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1998, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any

1 money in the Treasury not otherwise appropriated, for the
2 fiscal year ending September 30, 1998, and for other pur-
3 poses, namely:

4 TITLE I—EXPORT AND INVESTMENT
5 ASSISTANCE

6 EXPORT-IMPORT BANK OF THE UNITED STATES

7 The Export-Import Bank of the United States is au-
8 thorized to make such expenditures within the limits of
9 funds and borrowing authority available to such corpora-
10 tion, and in accordance with law, and to make such con-
11 tracts and commitments without regard to fiscal year limi-
12 tations, as provided by section 104 of the Government
13 Corporation Control Act, as may be necessary in carrying
14 out the program for the current fiscal year for such cor-
15 poration: *Provided*, That none of the funds available dur-
16 ing the current fiscal year may be used to make expendi-
17 tures, contracts, or commitments for the export of nuclear
18 equipment, fuel, or technology to any country other than
19 a nuclear-weapon State as defined in Article IX of the
20 Treaty on the Non-Proliferation of Nuclear Weapons eligi-
21 ble to receive economic or military assistance under this
22 Act that has detonated a nuclear explosive after the date
23 of enactment of this Act.

24 SUBSIDY APPROPRIATION

25 For the cost of direct loans, loan guarantees, insur-
26 ance, and tied-aid grants as authorized by section 10 of

1 the Export-Import Bank Act of 1945, as amended,
 2 \$632,000,000 to remain available until September 30,
 3 1999: *Provided*, That such costs, including the cost of
 4 modifying such loans, shall be as defined in section 502
 5 of the Congressional Budget Act of 1974: *Provided fur-*
 6 *ther*, That such sums shall remain available until 2013 for
 7 the disbursement of direct loans, loan guarantees, and in-
 8 surance obligated in fiscal years 1998 and 1999: *Provided*
 9 *further*, That funds appropriated by this paragraph are
 10 made available notwithstanding section 2(b)(2) of the Ex-
 11 port-Import Bank Act of 1945, in connection with the pur-
 12 chase or lease of any product by any East European coun-
 13 try, any Baltic State, or any agency or national thereof.

14 ADMINISTRATIVE EXPENSES

15 For administrative expenses to carry out the direct
 16 and guaranteed loan and insurance programs (to be com-
 17 puted on an accrual basis), including hire of passenger
 18 motor vehicles and services as authorized by 5 U.S.C.
 19 3109, and not to exceed \$20,000 for official reception and
 20 representation expenses for members of the Board of Di-
 21 rectors, \$48,614,000: *Provided*, That necessary expenses
 22 (including special services performed on a contract or fee
 23 basis, but not including other personal services) in connec-
 24 tion with the collection of moneys owed the Export-Import
 25 Bank, repossession or sale of pledged collateral or other
 26 assets acquired by the Export-Import Bank in satisfaction

1 of moneys owed the Export-Import Bank, or the investiga-
 2 tion or appraisal of any property, or the evaluation of the
 3 legal or technical aspects of any transaction for which an
 4 application for a loan, guarantee or insurance commitment
 5 has been made, shall be considered nonadministrative ex-
 6 penses for the purposes of this heading: *Provided further*,
 7 That, notwithstanding subsection (b) of section 117 of the
 8 Export Enhancement Act of 1992, subsection (a) thereof
 9 shall remain in effect until October 1, 1998.

10 OVERSEAS PRIVATE INVESTMENT CORPORATION

11 NONCREDIT ACCOUNT

12 The Overseas Private Investment Corporation is au-
 13 thorized to make, without regard to fiscal year limitations,
 14 as provided by 31 U.S.C. 9104, such expenditures and
 15 commitments within the limits of funds available to it and
 16 in accordance with law as may be necessary: *Provided*,
 17 That the amount available for administrative expenses to
 18 carry out the credit and insurance programs (including an
 19 amount for official reception and representation expenses
 20 which shall not exceed \$35,000) shall not exceed
 21 \$32,000,000: *Provided further*, That project-specific trans-
 22 action costs, including direct and indirect costs incurred
 23 in claims settlements, and other direct costs associated
 24 with services provided to specific investors or potential in-
 25 vestors pursuant to section 234 of the Foreign Assistance

1 Act of 1961, shall not be considered administrative ex-
2 penses for the purposes of this heading.

3 FUNDS APPROPRIATED TO THE PRESIDENT

4 TRADE AND DEVELOPMENT AGENCY

5 For necessary expenses to carry out the provisions
6 of section 661 of the Foreign Assistance Act of 1961,
7 \$40,000,000: *Provided*, That the Trade and Development
8 Agency may receive reimbursements from corporations
9 and other entities for the costs of grants for feasibility
10 studies and other project planning services, to be deposited
11 as an offsetting collection to this account and to be avail-
12 able for obligation until September 30, 1999, for necessary
13 expenses under this paragraph: *Provided further*, That
14 such reimbursements shall not cover, or be allocated
15 against, direct or indirect administrative costs of the agen-
16 cy.

17 TITLE II—BILATERAL ECONOMIC ASSISTANCE

18 FUNDS APPROPRIATED TO THE PRESIDENT

19 For expenses necessary to enable the President to
20 carry out the provisions of the Foreign Assistance Act of
21 1961, and for other purposes, to remain available until
22 September 30, 1998, unless otherwise specified herein, as
23 follows:

1 AGENCY FOR INTERNATIONAL DEVELOPMENT

2 CHILD SURVIVAL AND DISEASE PROGRAMS FUND

3 For necessary expenses to carry out the provisions
4 of part I and chapter 4 of part II of the Foreign Assist-
5 ance Act of 1961, for child survival, basic education, as-
6 sistance to combat tropical and other diseases, and related
7 activities, in addition to funds otherwise available for such
8 purposes, \$650,000,000, to remain available until ex-
9 pended: *Provided*, That this amount shall be made avail-
10 able for such activities as: (1) immunization programs; (2)
11 oral rehydration programs; (3) health and nutrition pro-
12 grams, and related education programs, which address the
13 needs of mothers and children; (4) water and sanitation
14 programs; (5) assistance for displaced and orphaned chil-
15 dren; (6) programs for the prevention, treatment, and con-
16 trol of, and research on, tuberculosis, HIV/AIDS, polio,
17 malaria and other diseases; (7) not to exceed \$98,000,000
18 for basic education programs for children; and (8) a con-
19 tribution on a grant basis to the United Nations Chil-
20 dren's Fund (UNICEF) pursuant to section 301 of the
21 Foreign Assistance Act of 1961.

22 DEVELOPMENT ASSISTANCE

23 For necessary expenses to carry out the provisions
24 of sections 103 through 106 and chapter 10 of part I of
25 the Foreign Assistance Act of 1961, title V of the Inter-
26 national Security and Development Cooperation Act of

1 1980 (Public Law 96–533) and the provisions of section
2 401 of the Foreign Assistance Act of 1969,
3 \$1,167,000,000, to remain available until September 30,
4 1999: *Provided*, That of the amount appropriated under
5 this heading, up to \$2,000,000 may be made available for
6 the Inter-American Foundation: *Provided further*, That of
7 the amount appropriated under this heading, up to
8 \$2,500,000 may be made available for the African Devel-
9 opment Foundation: *Provided further*, That none of the
10 funds made available in this Act nor any unobligated bal-
11 ances from prior appropriations may be made available to
12 any organization or program which, as determined by the
13 President of the United States, supports or participates
14 in the management of a program of coercive abortion or
15 involuntary sterilization: *Provided further*, That none of
16 the funds made available under this heading may be used
17 to pay for the performance of abortion as a method of
18 family planning or to motivate or coerce any person to
19 practice abortions; and that in order to reduce reliance
20 on abortion in developing nations, funds shall be available
21 only to voluntary family planning projects which offer, ei-
22 ther directly or through referral to, or information about
23 access to, a broad range of family planning methods and
24 services: *Provided further*, That in awarding grants for
25 natural family planning under section 104 of the Foreign

1 Assistance Act of 1961 no applicant shall be discriminated
 2 against because of such applicant's religious or conscien-
 3 tious commitment to offer only natural family planning;
 4 and, additionally, all such applicants shall comply with the
 5 requirements of the previous proviso: *Provided further*,
 6 That for purposes of this or any other Act authorizing
 7 or appropriating funds for foreign operations, export fi-
 8 nancing, and related programs, the term "motivate", as
 9 it relates to family planning assistance, shall not be con-
 10 strued to prohibit the provision, consistent with local law,
 11 of information or counseling about all pregnancy options:
 12 *Provided further*, That nothing in this paragraph shall be
 13 construed to alter any existing statutory prohibitions
 14 against abortion under section 104 of the Foreign Assist-
 15 ance Act of 1961: *Provided further*, That none of the funds
 16 made available under this heading may be used for any
 17 activity which is in contravention to the Convention on
 18 International Trade in Endangered Species of Flora and
 19 Fauna (CITES).

20 PRIVATE AND VOLUNTARY ORGANIZATIONS

21 None of the funds appropriated or otherwise made
 22 available by this Act for development assistance may be
 23 made available to any United States private and voluntary
 24 organization, except any cooperative development organi-
 25 zation, which obtains less than 20 per centum of its total
 26 annual funding for international activities from sources

1 other than the United States Government: *Provided*, That
2 the requirements of the provisions of section 123(g) of the
3 Foreign Assistance Act of 1961 and the provisions on pri-
4 vate and voluntary organizations in title II of the “Foreign
5 Assistance and Related Programs Appropriations Act,
6 1985” (as enacted in Public Law 98–473) shall be super-
7 seded by the provisions of this section, except that the au-
8 thority contained in the last sentence of section 123(g)
9 may be exercised by the Administrator with regard to the
10 requirements of this paragraph.

11 Funds appropriated or otherwise made available
12 under title II of this Act should be made available to pri-
13 vate and voluntary organizations at a level which is equiv-
14 alent to the level provided in fiscal year 1995. Such private
15 and voluntary organizations shall include those which op-
16 erate on a not-for-profit basis, receive contributions from
17 private sources, receive voluntary support from the public
18 and are deemed to be among the most cost-effective and
19 successful providers of development assistance.

20 INTERNATIONAL DISASTER ASSISTANCE

21 For necessary expenses for international disaster re-
22 lief, rehabilitation, and reconstruction assistance pursuant
23 to section 491 of the Foreign Assistance Act of 1961, as
24 amended, \$190,000,000, to remain available until ex-
25 pended.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961; and of modifying concessional loans authorized under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, as authorized under subsection (a) under the heading “Debt Reduction for Jordan” in title VI of Public Law 103–306; \$27,000,000, to remain available until expended.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM

ACCOUNT

For the cost of direct loans and loan guarantees, \$1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: *Provided*, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That guarantees of loans made under this heading in support of micro-enterprise activities may guarantee up to 70 percent of

1 the principal amount of any such loans notwithstanding
2 section 108 of the Foreign Assistance Act of 1961. In ad-
3 dition, for administrative expenses to carry out programs
4 under this heading, \$500,000, all of which may be trans-
5 ferred to and merged with the appropriation for Operating
6 Expenses of the Agency for International Development:
7 *Provided further*, That funds made available under this
8 heading shall remain available until September 30, 1999.

9 URBAN AND ENVIRONMENTAL CREDIT PROGRAM

10 ACCOUNT

11 For the cost, as defined in section 502 of the Con-
12 gressional Budget Act of 1974, of guaranteed loans au-
13 thorized by sections 221 and 222 of the Foreign Assist-
14 ance Act of 1961, including the cost of guaranteed loans
15 designed to promote the urban and environmental policies
16 and objectives of part I of such Act, \$3,000,000, to remain
17 available until September 30, 1999: *Provided*, That these
18 funds are available to subsidize loan principal, 100 percent
19 of which shall be guaranteed, pursuant to the authority
20 of such sections. In addition, for administrative expenses
21 to carry out guaranteed loan programs, \$6,000,000, all
22 of which may be transferred to and merged with the ap-
23 propriation for Operating Expenses of the Agency for
24 International Development: *Provided further*, That com-
25 mitments to guarantee loans under this heading may be
26 entered into notwithstanding the second and third sen-

1 tences of section 222(a) and, with regard to programs for
 2 Central and Eastern Europe and programs for the benefit
 3 of South Africans disadvantaged by apartheid, section
 4 223(j) of the Foreign Assistance Act of 1961.

5 PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND
 6 DISABILITY FUND

7 For payment to the “Foreign Service Retirement and
 8 Disability Fund”, as authorized by the Foreign Service
 9 Act of 1980, \$44,208,000.

10 OPERATING EXPENSES OF THE AGENCY FOR
 11 INTERNATIONAL DEVELOPMENT

12 For necessary expenses to carry out the provisions
 13 of section 667, \$468,750,000: *Provided*, That none of the
 14 funds appropriated by this Act for programs administered
 15 by the Agency for International Development may be used
 16 to finance printing costs of any report or study (except
 17 feasibility, design, or evaluation reports or studies) in ex-
 18 cess of \$25,000 without the approval of the Administrator
 19 of the Agency or the Administrator’s designee.

20 OPERATING EXPENSES OF THE AGENCY FOR INTER-
 21 NATIONAL DEVELOPMENT OFFICE OF INSPECTOR
 22 GENERAL

23 For necessary expenses to carry out the provisions
 24 of section 667, \$29,047,000, to remain available until Sep-
 25 tember 30, 1999, which sum shall be available for the Of-

1 fice of the Inspector General of the Agency for Inter-
 2 national Development.

3 OTHER BILATERAL ECONOMIC ASSISTANCE

4 ECONOMIC SUPPORT FUND

5 For necessary expenses to carry out the provisions
 6 of chapter 4 of part II, \$2,400,000,000, to remain avail-
 7 able until September 30, 1999: *Provided*, That any funds
 8 appropriated under this heading that are made available
 9 for Israel shall be available on a grant basis as a cash
 10 transfer and shall be disbursed within thirty days of enact-
 11 ment of this Act or by October 31, 1997, whichever is
 12 later: *Provided further*, That in exercising the authority
 13 to provide cash transfer assistance for Israel and Egypt,
 14 the President shall ensure that the level of such assistance
 15 does not cause an adverse impact on the total level of non-
 16 military exports from the United States to each such coun-
 17 try.

18 INTERNATIONAL FUND FOR IRELAND

19 For necessary expenses to carry out the provisions
 20 of chapter 4 of part II of the Foreign Assistance Act of
 21 1961, \$19,600,000, which shall be available for the United
 22 States contribution to the International Fund for Ireland
 23 and shall be made available in accordance with the provi-
 24 sions of the Anglo-Irish Agreement Support Act of 1986
 25 (Public Law 99–415): *Provided*, That such amount shall
 26 be expended at the minimum rate necessary to make time-

1 ly payment for projects and activities: *Provided further*,
2 That funds made available under this heading shall re-
3 main available until September 30, 1999.

4 ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC
5 STATES

6 (a) For necessary expenses to carry out the provisions
7 of the Foreign Assistance Act of 1961 and the Support
8 for East European Democracy (SEED) Act of 1989,
9 \$470,000,000, to remain available until September 30,
10 1999, which shall be available, notwithstanding any other
11 provision of law, for economic assistance and for related
12 programs for Eastern Europe and the Baltic States.

13 (b) Funds appropriated under this heading or in prior
14 appropriations Acts that are or have been made available
15 for an Enterprise Fund may be deposited by such Fund
16 in interest-bearing accounts prior to the Fund's disburse-
17 ment of such funds for program purposes. The Fund may
18 retain for such program purposes any interest earned on
19 such deposits without returning such interest to the Treas-
20 ury of the United States and without further appropria-
21 tion by the Congress. Funds made available for Enterprise
22 Funds shall be expended at the minimum rate necessary
23 to make timely payment for projects and activities.

24 (c) Funds appropriated under this heading shall be
25 considered to be economic assistance under the Foreign
26 Assistance Act of 1961 for purposes of making available

1 the administrative authorities contained in that Act for
2 the use of economic assistance.

3 (d) None of the funds appropriated under this head-
4 ing may be made available for new housing construction
5 or repair or reconstruction of existing housing in Bosnia
6 and Herzegovina unless directly related to the efforts of
7 United States troops to promote peace in said country.

8 (e) With regard to funds appropriated or otherwise
9 made available under this heading for the economic revi-
10 talization program in Bosnia and Herzegovina, and local
11 currencies generated by such funds (including the conver-
12 sion of funds appropriated under this heading into cur-
13 rency used by Bosnia and Herzegovina as local currency
14 and local currency returned or repaid under such pro-
15 gram)—

16 (1) the Administrator of the Agency for Inter-
17 national Development shall provide written approval
18 for grants and loans prior to the obligation and ex-
19 penditure of funds for such purposes, and prior to
20 the use of funds that have been returned or repaid
21 to any lending facility or grantee; and

22 (2) the provisions of section 531 of this Act
23 shall apply.

24 (f) With regard to funds appropriated under this
25 heading that are made available for economic revitaliza-

1 tion programs in Bosnia and Herzegovina, 50 percent of
2 such funds shall not be available for obligation unless the
3 President determines and certifies to the Committee on
4 Appropriations that the Federation of Bosnia and
5 Herzegovina has complied with article III of annex 1–A
6 of the General Framework Agreement for Peace in Bosnia
7 and Herzegovina concerning the withdrawal of foreign
8 forces, and that intelligence cooperation on training, inves-
9 tigations, and related activities between Iranian officials
10 and Bosnian officials has been terminated.

11 (g) Not to exceed \$200,000,000 of the funds appro-
12 priated under this heading may be made available for
13 Bosnia and Herzegovina.

14 (h) Not to exceed \$7,000,000 of the funds made
15 available for Bosnia and Herzegovina may be made avail-
16 able for the cost, as defined in section 502 of the Congres-
17 sional Budget Act of 1974, of modifying direct loans and
18 loan guarantees for said country.

19 ASSISTANCE FOR THE NEW INDEPENDENT STATES OF
20 THE FORMER SOVIET UNION

21 (a) For necessary expenses to carry out the provisions
22 of chapter 11 of part I of the Foreign Assistance Act of
23 1961 and the FREEDOM Support Act, for assistance for
24 the new independent states of the former Soviet Union
25 and for related programs, \$625,000,000, to remain avail-
26 able until September 30, 1999: *Provided*, That the provi-

1 sions of such chapter shall apply to funds appropriated
2 by this paragraph.

3 (b) None of the funds appropriated under this head-
4 ing shall be transferred to the Government of Russia—

5 (1) unless that Government is making progress
6 in implementing comprehensive economic reforms
7 based on market principles, private ownership, nego-
8 tiating repayment of commercial debt, respect for
9 commercial contracts, and equitable treatment of
10 foreign private investment; and

11 (2) if that Government applies or transfers
12 United States assistance to any entity for the pur-
13 pose of expropriating or seizing ownership or control
14 of assets, investments, or ventures.

15 (c) Funds may be furnished without regard to sub-
16 section (b) if the President determines that to do so is
17 in the national interest.

18 (d) None of the funds appropriated under this head-
19 ing shall be made available to any government of the new
20 independent states of the former Soviet Union if that gov-
21 ernment directs any action in violation of the territorial
22 integrity or national sovereignty of any other new inde-
23 pendent state, such as those violations included in the Hel-
24 sinki Final Act: *Provided*, That such funds may be made
25 available without regard to the restriction in this sub-

1 section if the President determines that to do so is in the
2 national security interest of the United States: *Provided*
3 *further*, That the restriction of this subsection shall not
4 apply to the use of such funds for the provision of assist-
5 ance for purposes of humanitarian, disaster and refugee
6 relief.

7 (e) None of the funds appropriated under this head-
8 ing for the new independent states of the former Soviet
9 Union shall be made available for any state to enhance
10 its military capability: *Provided*, That this restriction does
11 not apply to demilitarization or nonproliferation programs.

12 (f) Funds appropriated under this heading shall be
13 subject to the regular notification procedures of the Com-
14 mittees on Appropriations.

15 (g) Funds made available in this Act for assistance
16 to the new independent states of the former Soviet Union
17 shall be subject to the provisions of section 117 (relating
18 to environment and natural resources) of the Foreign As-
19 sistance Act of 1961.

20 (h) In issuing new task orders, entering into con-
21 tracts, or making grants, with funds appropriated under
22 this heading or in prior appropriations Acts, for projects
23 or activities that have as one of their primary purposes
24 the fostering of private sector development, the Coordina-
25 tor for United States Assistance to the New Independent

1 States and the implementing agency shall encourage the
2 participation of and give significant weight to contractors
3 and grantees who propose investing a significant amount
4 of their own resources (including volunteer services and
5 in-kind contributions) in such projects and activities.

6 (i) Funds appropriated under this heading or in prior
7 appropriations Acts that are or have been made available
8 for an Enterprise Fund may be deposited by such Fund
9 in interest-bearing accounts prior to the disbursement of
10 such funds by the Fund for program purposes. The Fund
11 may retain for such program purposes any interest earned
12 on such deposits without returning such interest to the
13 Treasury of the United States and without further appro-
14 priation by the Congress. Funds made available for Enter-
15 prise Funds shall be expended at the minimum rate nec-
16 essary to make timely payment for projects and activities.

17 (j)(1) None of the funds appropriated under this
18 heading may be made available for Russia unless the
19 President determines and certifies in writing to the Com-
20 mittees on Appropriations that the Government of Russia
21 has terminated implementation of arrangements to pro-
22 vide Iran with technical expertise, training, technology, or
23 equipment necessary to develop a nuclear reactor, related
24 nuclear research facilities or programs, or ballistic missile
25 capability.

1 (2) Fifty percent of the funds appropriated under this
2 heading that are allocated for Russia may be made avail-
3 able notwithstanding paragraph (1) if the President deter-
4 mines that making such funds available is vital to the na-
5 tional security interest of the United States. Any such de-
6 termination shall cease to be effective six months after
7 being made unless the President determines that its con-
8 tinuation is vital to the national security interest of the
9 United States.

10 (k)(1) Funds appropriated under this heading may
11 not be made available for the Government of Ukraine if
12 the President determines and reports to the Committees
13 on Appropriations that the Government of Ukraine is en-
14 gaged in military cooperation with the Government of
15 Libya.

16 (2) Paragraph (1) shall not apply if the President
17 determines that making such funds available is vital to
18 the national security interest of the United States. Any
19 such determination shall cease to be effective six months
20 after being made unless the President determines that its
21 continuation is vital to the national security interest of
22 the United States.

23 (l) Funds made available under this Act or any other
24 Act may not be provided for assistance to the Government
25 of Azerbaijan until the President determines, and so re-

1 ports to the Congress, that the Government of Azerbaijan
2 is taking demonstrable steps to cease all blockades and
3 other offensive uses of force against Armenia and
4 Nagorno-Karabakh: *Provided*, That the restriction of this
5 subsection and section 907 of the FREEDOM Support
6 Act shall not apply to activities promoting democracy or
7 assistance under title V of the FREEDOM Support Act
8 and section 1424 of Public Law 104–201: *Provided fur-*
9 *ther*, That none of the funds appropriated or otherwise
10 made available under this Act may be utilized by the Ex-
11 port-Import Bank of the United States, the Overseas Pri-
12 vate Investment Corporation, or the Trade and Develop-
13 ment Agency to provide financing (including direct loans,
14 loan guarantees, and insurance) or other assistance con-
15 trary to the provisions of section 907 of the FREEDOM
16 Support Act.

17 (m) Funds appropriated under this heading shall be
18 made available for humanitarian assistance through non-
19 governmental organizations for refugees, displaced per-
20 sons, and needy civilians in conflictive zones throughout
21 the Trans-Caucasus, including Nagorno-Karabagh, not-
22 withstanding any other provision of this or any other Act.

23 (n) Of the funds appropriated under this heading
24 that are allocated for Ukraine, 50 percent shall be with-
25 held from obligation and expenditure until the Secretary

1 of State certifies to the Committees on Appropriations
2 that the Government of Ukraine: (1) is enforcing the April
3 10, 1997 Anti-Corruption decree of President Kuchma;
4 (2) has substantially completed the privatization of state
5 owned agricultural storage, distribution, equipment and
6 supply monopolies; and (3) has fully resolved most of the
7 commercial disputes involving complaints by United States
8 investors to the Embassy in Kiev as of April 30, 1997
9 and established a permanent legal mechanism for commer-
10 cial dispute resolution.

11 INDEPENDENT AGENCIES

12 INTER-AMERICAN FOUNDATION

13 For necessary expenses to carry out the functions of
14 the Inter-American Foundation in accordance with section
15 401 of the Foreign Assistance Act of 1969, and to make
16 such contracts and commitments without regard to fiscal
17 year limitations, as provided by 31 U.S.C. 9104,
18 \$20,000,000.

19 AFRICAN DEVELOPMENT FOUNDATION

20 For necessary expenses to carry out title V of the
21 International Security and Development Cooperation Act
22 of 1980, Public Law 96–533, and to make such contracts
23 and commitments without regard to fiscal year limitations
24 as provided by 31 U.S.C. 9104, \$11,500,000: *Provided,*
25 That funds made available to grantees may be invested
26 pending expenditure for project purposes when authorized

1 by the President of the Foundation: *Provided further*,
 2 That interest earned shall be used only for the purposes
 3 for which the grant was made: *Provided further*, That this
 4 authority applies to interest earned both prior to and fol-
 5 lowing enactment of this provision: *Provided further*, That
 6 notwithstanding section 505(a)(2) of the African Develop-
 7 ment Foundation Act, in exceptional circumstances the
 8 board of directors of the Foundation may waive the
 9 \$250,000 limitation contained in that section with respect
 10 to a project: *Provided further*, That the Foundation shall
 11 provide a report to the Committee on Appropriations after
 12 each time such waiver authority is exercised.

13 PEACE CORPS

14 For expenses necessary to carry out the provisions
 15 of the Peace Corps Act (75 Stat. 612), \$222,000,000, in-
 16 cluding the purchase of not to exceed five passenger motor
 17 vehicles for administrative purposes for use outside of the
 18 United States: *Provided*, That none of the funds appro-
 19 priated under this heading shall be used to pay for abor-
 20 tions: *Provided further*, That funds appropriated under
 21 this heading shall remain available until September 30,
 22 1999.

23 DEPARTMENT OF STATE

24 INTERNATIONAL NARCOTICS CONTROL

25 For necessary expenses to carry out section 481 of
 26 the Foreign Assistance Act of 1961, \$230,000,000: *Pro-*

1 *vided*, That during fiscal year 1998, the Department of
2 State may also use the authority of section 608 of the
3 Act, without regard to its restrictions, to receive non-lethal
4 excess property from an agency of the United States Gov-
5 ernment for the purpose of providing it to a foreign coun-
6 try under chapter 8 of part I of that Act subject to the
7 regular notification procedures of the Committees on Ap-
8 propriations.

9 MIGRATION AND REFUGEE ASSISTANCE

10 For expenses, not otherwise provided for, necessary
11 to enable the Secretary of State to provide, as authorized
12 by law, a contribution to the International Committee of
13 the Red Cross, assistance to refugees, including contribu-
14 tions to the International Organization for Migration and
15 the United Nations High Commissioner for Refugees, and
16 other activities to meet refugee and migration needs; sala-
17 ries and expenses of personnel and dependents as author-
18 ized by the Foreign Service Act of 1980; allowances as
19 authorized by sections 5921 through 5925 of title 5, Unit-
20 ed States Code; purchase and hire of passenger motor ve-
21 hicles; and services as authorized by section 3109 of title
22 5, United States Code, \$650,000,000: *Provided*, That not
23 more than \$12,000,000 shall be available for administra-
24 tive expenses.

1 REFUGEE RESETTLEMENT ASSISTANCE

2 For necessary expenses for the targeted assistance
3 program authorized by title IV of the Immigration and
4 Nationality Act and section 501 of the Refugee Education
5 Assistance Act of 1980 and administered by the Office of
6 Refugee Resettlement of the Department of Health and
7 Human Services, in addition to amounts otherwise avail-
8 able for such purposes, \$5,000,000.

9 UNITED STATES EMERGENCY REFUGEE AND MIGRATION
10 ASSISTANCE FUND

11 For necessary expenses to carry out the provisions
12 of section 2(c) of the Migration and Refugee Assistance
13 Act of 1962, as amended (22 U.S.C. 260(c)),
14 \$50,000,000, to remain available until expended: *Pro-*
15 *vided*, That the funds made available under this heading
16 are appropriated notwithstanding the provisions contained
17 in section 2(c)(2) of the Migration and Refugee Assistance
18 Act of 1962 which would limit the amount of funds which
19 could be appropriated for this purpose.

20 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND
21 RELATED PROGRAMS

22 For necessary expenses for nonproliferation, anti-ter-
23 rorism and related programs and activities, \$118,000,000,
24 to carry out the provisions of chapter 8 of part II of the
25 Foreign Assistance Act of 1961 for anti-terrorism assist-
26 ance, section 504 of the FREEDOM Support Act for the

1 Nonproliferation and Disarmament Fund, section 23 of
2 the Arms Export Control Act for demining activities, not-
3 withstanding any other provision of law, including activi-
4 ties implemented through nongovernmental and inter-
5 national organizations, section 301 of the Foreign Assist-
6 ance Act of 1961 for a voluntary contribution to the Inter-
7 national Atomic Energy Agency (IAEA) and a voluntary
8 contribution to the Korean Peninsula Energy Develop-
9 ment Organization (KEDO): *Provided*, That of this
10 amount not to exceed \$15,000,000, to remain available
11 until expended, may be made available for the Non-
12 proliferation and Disarmament Fund, notwithstanding
13 any other provision of law, to promote bilateral and multi-
14 lateral activities relating to nonproliferation and disarmament: *Provided further*, That such funds may also be
15 used for such countries other than the new independent
16 states of the former Soviet Union and international orga-
17 nizations when it is in the national security interest of the
18 United States to do so: *Provided further*, That such funds
19 shall be subject to the regular notification procedures of
20 the Committees on Appropriations: *Provided further*, That
21 funds appropriated under this heading may be made avail-
22 able for the International Atomic Energy Agency only if
23 the Secretary of State determines (and so reports to the
24 Congress) that Israel is not being denied its right to par-

1 ticipate in the activities of that Agency: *Provided further,*
2 That not to exceed \$25,000,000 may be made available
3 to the Korean Peninsula Energy Development Organiza-
4 tion (KEDO) only for administrative expenses and heavy
5 fuel oil costs associated with the Agreed Framework: *Pro-*
6 *vided further,* That such funds may be obligated to KEDO
7 only if, thirty days prior to such obligation of funds, the
8 President certifies and so reports to Congress that: (1)(A)
9 the parties to the Agreed Framework are taking steps to
10 assure that progress is made on the implementation of the
11 January 1, 1992, Joint Declaration on the
12 Denuclearization of the Korean Peninsula and the imple-
13 mentation of the North-South dialogue, and (B) North
14 Korea is complying with the other provisions of the Agreed
15 Framework between North Korea and the United States
16 and with the Confidential Minute; (2) North Korea is co-
17 operating fully in the canning and safe storage of all spent
18 fuel from its graphite-moderated nuclear reactors and that
19 such canning and safe storage is scheduled to be com-
20 pleted by the end of fiscal year 1998; and (3) North Korea
21 has not significantly diverted assistance provided by the
22 United States for purposes for which it was not intended:
23 *Provided further,* That the President may waive the certifi-
24 cation requirements of the preceding proviso if the Presi-
25 dent determines that it is vital to the national security

1 interests of the United States: *Provided further*, That no
 2 funds may be obligated for KEDO until 30 calendar days
 3 after submission to Congress of the waiver permitted
 4 under the preceding proviso: *Provided further*, That the
 5 obligation of any funds for KEDO shall be subject to the
 6 regular notification procedures of the Committees on Ap-
 7 propriations: *Provided further*, That the Secretary of State
 8 shall submit to the appropriate congressional committees
 9 an annual report (to be submitted with the annual presen-
 10 tation for appropriations) providing a full and detailed ac-
 11 counting of the fiscal year request for the United States
 12 contribution to KEDO, the expected operating budget of
 13 the Korean Peninsula Energy Development Organization,
 14 to include unpaid debt, proposed annual costs associated
 15 with heavy fuel oil purchases, the amount of funds pledged
 16 by other donor nations and organizations to support
 17 KEDO activities on a per country basis, and other related
 18 activities.

19 TITLE III—MILITARY ASSISTANCE

20 FUNDS APPROPRIATED TO THE PRESIDENT

21 INTERNATIONAL MILITARY EDUCATION AND TRAINING

22 For necessary expenses to carry out the provisions
 23 of section 541 of the Foreign Assistance Act of 1961,
 24 \$50,000,000: *Provided*, That funds appropriated under
 25 this heading for grant financed military education and

1 training for Indonesia and Guatemala may only be avail-
2 able for expanded international military education and
3 training: *Provided further*, That none of the funds appro-
4 priated under this heading may be made available to sup-
5 port grant financed military education and training at the
6 School of the Americas unless: (1) the Secretary of De-
7 fense certifies that the instruction and training provided
8 by the School of the Americas is fully consistent with
9 training and doctrine, particularly with respect to the ob-
10 servance of human rights, provided by the Department of
11 Defense to United States military students at Department
12 of Defense institutions whose primary purpose is to train
13 United States military personnel; (2) the Secretary of De-
14 fense certifies that the Secretary of State, in consultation
15 with the Secretary of Defense, has developed and issued
16 specific guidelines governing the selection and screening
17 of candidates for instruction at the School of the Ameri-
18 cas; and (3) the Secretary of Defense submits to the Com-
19 mittees on Appropriations a report detailing the training
20 activities of the School of the Americas and a general as-
21 sessment regarding the performance of its graduates dur-
22 ing 1996.

23 FOREIGN MILITARY FINANCING PROGRAM

24 For expenses necessary for grants to enable the
25 President to carry out the provisions of section 23 of the
26 Arms Export Control Act, \$3,259,250,000: *Provided*,

1 That funds appropriated by this paragraph that are made
2 available for Israel and Egypt shall be made available only
3 as grants: *Provided further*, That the funds appropriated
4 by this paragraph for Israel shall be disbursed within thir-
5 ty days of enactment of this Act or by October 31, 1997,
6 whichever is later: *Provided further*, That to the extent
7 that the Government of Israel requests that funds be used
8 for such purposes, grants made available for Israel by this
9 paragraph shall, as agreed by Israel and the United
10 States, be available for advanced weapons systems, of
11 which not less than \$475,000,000 shall be available for
12 the procurement in Israel of defense articles and defense
13 services, including research and development: *Provided*
14 *further*, That funds made available under this paragraph
15 shall be nonrepayable notwithstanding any requirement in
16 section 23 of the Arms Export Control Act: *Provided fur-*
17 *ther*, That none of the funds made available under this
18 heading shall be available for any non-NATO country par-
19 ticipating in the Partnership for Peace Program except
20 through the regular notification procedures of the Com-
21 mittees on Appropriations.

22 For the cost, as defined in section 502 of the Con-
23 gressional Budget Act of 1974, of direct loans authorized
24 by section 23 of the Arms Export Control Act as follows:
25 cost of direct loans, \$60,000,000: *Provided*, That these

1 funds are available to subsidize gross obligations for the
2 principal amount of direct loans of not to exceed
3 \$657,000,000: *Provided further*, That the rate of interest
4 charged on such loans shall be not less than the current
5 average market yield on outstanding marketable obliga-
6 tions of the United States of comparable maturities: *Pro-*
7 *vided further*, That funds appropriated under this heading
8 shall be made available for Greece and Turkey only on
9 a loan basis, and the principal amount of direct loans for
10 each country shall not exceed the following: \$105,000,000
11 only for Greece and \$150,000,000 only for Turkey.

12 None of the funds made available under this heading
13 shall be available to finance the procurement of defense
14 articles, defense services, or design and construction serv-
15 ices that are not sold by the United States Government
16 under the Arms Export Control Act unless the foreign
17 country proposing to make such procurements has first
18 signed an agreement with the United States Government
19 specifying the conditions under which such procurements
20 may be financed with such funds: *Provided*, That all coun-
21 try and funding level increases in allocations shall be sub-
22 mitted through the regular notification procedures of sec-
23 tion 515 of this Act: *Provided further*, That funds made
24 available under this heading shall be obligated upon appor-
25 tionment in accordance with paragraph (5)(C) of title 31,

1 United States Code, section 1501(a): *Provided further*,
2 That none of the funds appropriated under this heading
3 shall be available for Sudan and Liberia: *Provided further*,
4 That funds made available under this heading may be
5 used, notwithstanding any other provision of law, for activi-
6 ties related to the clearance of landmines and unexploded
7 ordnance, and may include activities implemented through
8 nongovernmental and international organizations: *Pro-*
9 *vided further*, That only those countries for which assist-
10 ance was justified for the “Foreign Military Sales Finance-
11 ing Program” in the fiscal year 1989 congressional pres-
12 entation for security assistance programs may utilize
13 funds made available under this heading for procurement
14 of defense articles, defense services or design and con-
15 struction services that are not sold by the United States
16 Government under the Arms Export Control Act: *Provided*
17 *further*, That, subject to the regular notification proce-
18 dures of the Committees on Appropriations, funds made
19 available under this heading for the cost of direct loans
20 may also be used to supplement the funds available under
21 this heading for grants, and funds made available under
22 this heading for grants may also be used to supplement
23 the funds available under this heading for the cost of di-
24 rect loans: *Provided further*, That funds appropriated
25 under this heading shall be expended at the minimum rate

1 necessary to make timely payment for defense articles and
2 services: *Provided further*, That not more than
3 \$23,250,000 of the funds appropriated under this heading
4 may be obligated for necessary expenses, including the
5 purchase of passenger motor vehicles for replacement only
6 for use outside of the United States, for the general costs
7 of administering military assistance and sales: *Provided*
8 *further*, That none of the funds appropriated under this
9 heading shall be available for Guatemala: *Provided further*,
10 That not more than \$350,000,000 of funds realized pursu-
11 ant to section 21(e)(1)(A) of the Arms Export Control Act
12 may be obligated for expenses incurred by the Department
13 of Defense during fiscal year 1998 pursuant to section
14 43(b) of the Arms Export Control Act, except that this
15 limitation may be exceeded only through the regular notifi-
16 cation procedures of the Committees on Appropriations.

17 PEACEKEEPING OPERATIONS

18 For necessary expenses to carry out the provisions
19 of section 551 of the Foreign Assistance Act of 1961,
20 \$77,500,000: *Provided*, That none of the funds appro-
21 priated under this paragraph shall be obligated or ex-
22 pended except as provided through the regular notification
23 procedures of the Committees on Appropriations.

1 TITLE IV—MULTILATERAL ECONOMIC
2 ASSISTANCE

3 FUNDS APPROPRIATED TO THE PRESIDENT
4 INTERNATIONAL FINANCIAL INSTITUTIONS
5 CONTRIBUTION TO THE INTERNATIONAL BANK FOR
6 RECONSTRUCTION AND DEVELOPMENT

7 For payment to the International Bank for Recon-
8 struction and Development by the Secretary of the Treas-
9 ury, for the United States contribution to the Global Envi-
10 ronment Facility (GEF), \$35,000,000, to remain available
11 until September 30, 1999.

12 CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT
13 ASSOCIATION

14 For payment to the International Development Asso-
15 ciation by the Secretary of the Treasury, \$606,000,000,
16 for the United States contribution to the eleventh replen-
17 ishment, to remain available until expended: *Provided*,
18 That none of the funds may be obligated until the Sec-
19 retary of the Treasury certifies to the Committees on Ap-
20 propriations that procurement restrictions applicable to
21 the United States under the terms of the Interim Trust
22 Fund have been lifted and that the total unobligated bal-
23 ance available for open competition has been released.

10 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

16 CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

21 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

22 The United States Governor of the Asian Develop-
23 ment Bank may subscribe without fiscal year limitation
24 to the callable capital portion of the United States share
25 of such capital stock in an amount not to exceed
26 \$647,858,204.

1 CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

2 For the United States contribution by the Secretary
3 of the Treasury to the increases in resources of the Asian
4 Development Fund, as authorized by the Asian Develop-
5 ment Bank Act, as amended (Public Law 89–369),
6 \$100,000,000, to remain available until expended.

7 CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

8 For the United States contribution by the Secretary
9 of the Treasury to the increase in resources of the African
10 Development Fund, \$25,000,000, to remain available until
11 expended.

12 CONTRIBUTION TO THE EUROPEAN BANK FOR

13 RECONSTRUCTION AND DEVELOPMENT

14 For payment to the European Bank for Reconstruct-
15 tion and Development by the Secretary of the Treasury,
16 \$35,778,717, for the United States share of the paid-in
17 portion of the increase in capital stock, to remain available
18 until expended.

19 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

20 The United States Governor of the European Bank
21 for Reconstruction and Development may subscribe with-
22 out fiscal year limitation to the callable capital portion of
23 the United States share of such capital stock in an amount
24 not to exceed \$123,237,803.

1 NORTH AMERICAN DEVELOPMENT BANK

2 For payment to the North American Development
3 Bank by the Secretary of the Treasury, for the United
4 States share of the paid-in portion of the capital stock,
5 \$56,500,000, to remain available until expended.

6 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

7 The United States Governor of the North American
8 Development Bank may subscribe without fiscal year limi-
9 tation to the callable capital portion of the United States
10 share of the capital stock of the North American Develop-
11 ment Bank in an amount not to exceed \$318,750,000.

12 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

13 For necessary expenses to carry out the provisions
14 of section 301 of the Foreign Assistance Act of 1961, and
15 of section 2 of the United Nations Environment Program
16 Participation Act of 1973, \$194,000,000: *Provided*, That
17 none of the funds appropriated under this heading shall
18 be made available for the United Nations Fund for
19 Science and Technology: *Provided further*, That none of
20 the funds appropriated under this heading that are made
21 available to the United Nations Population Fund
22 (UNFPA) shall be made available for activities in the Peo-
23 ple's Republic of China: *Provided further*, That not more
24 than \$25,000,000 of the funds appropriated under this
25 heading may be made available to the UNFPA: *Provided*
26 *further*, That not more than one-half of this amount may

1 be provided to UNFPA before March 1, 1998, and that
 2 no later than February 15, 1998, the Secretary of State
 3 shall submit a report to the Committees on Appropriations
 4 indicating the amount UNFPA is budgeting for the Peo-
 5 ple's Republic of China in 1998: *Provided further*, That
 6 any amount UNFPA plans to spend in the People's Re-
 7 public of China in 1998 shall be deducted from the
 8 amount of funds provided to UNFPA after March 1,
 9 1998, pursuant to the previous provisos: *Provided further*,
 10 That with respect to any funds appropriated under this
 11 heading that are made available to UNFPA, UNFPA shall
 12 be required to maintain such funds in a separate account
 13 and not commingle them with any other funds: *Provided*
 14 *further*, That none of the funds appropriated under this
 15 heading may be made available to the Korean Peninsula
 16 Energy Development Organization (KEDO) or the Inter-
 17 national Atomic Energy Agency (IAEA): *Provided further*,
 18 That none of the funds appropriated under this heading
 19 may be made available to the United Nations development
 20 group or any similar organization.

21 TITLE V—GENERAL PROVISIONS

22 OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

23 SEC. 501. Except for the appropriations entitled
 24 “International Disaster Assistance”, and “United States
 25 Emergency Refugee and Migration Assistance Fund”, not

1 more than 15 per centum of any appropriation item made
2 available by this Act shall be obligated during the last
3 month of availability.

4 PROHIBITION OF BILATERAL FUNDING FOR
5 INTERNATIONAL FINANCIAL INSTITUTIONS

6 SEC. 502. Notwithstanding section 614 of the For-
7 eign Assistance Act of 1961, as amended, none of the
8 funds contained in title II of this Act may be used to carry
9 out the provisions of section 209(d) of the Foreign Assist-
10 ance Act of 1961.

11 LIMITATION ON RESIDENCE EXPENSES

12 SEC. 503. Of the funds appropriated or made avail-
13 able pursuant to this Act, not to exceed \$126,500 shall
14 be for official residence expenses of the Agency for Inter-
15 national Development during the current fiscal year: *Pro-*
16 *vided*, That appropriate steps shall be taken to assure
17 that, to the maximum extent possible, United States-
18 owned foreign currencies are utilized in lieu of dollars.

19 LIMITATION ON EXPENSES

20 SEC. 504. Of the funds appropriated or made avail-
21 able pursuant to this Act, not to exceed \$5,000 shall be
22 for entertainment expenses of the Agency for International
23 Development during the current fiscal year.

24 LIMITATION ON REPRESENTATIONAL ALLOWANCES

25 SEC. 505. Of the funds appropriated or made avail-
26 able pursuant to this Act, not to exceed \$95,000 shall be

1 available for representation allowances for the Agency for
2 International Development during the current fiscal year:
3 *Provided*, That appropriate steps shall be taken to assure
4 that, to the maximum extent possible, United States-
5 owned foreign currencies are utilized in lieu of dollars:
6 *Provided further*, That of the funds made available by this
7 Act for general costs of administering military assistance
8 and sales under the heading “Foreign Military Financing
9 Program”, not to exceed \$2,000 shall be available for en-
10 tertainment expenses and not to exceed \$50,000 shall be
11 available for representation allowances: *Provided further*,
12 That of the funds made available by this Act under the
13 heading “International Military Education and Training”,
14 not to exceed \$50,000 shall be available for entertainment
15 allowances: *Provided further*, That of the funds made
16 available by this Act for the Inter-American Foundation,
17 not to exceed \$2,000 shall be available for entertainment
18 and representation allowances: *Provided further*, That of
19 the funds made available by this Act for the Peace Corps,
20 not to exceed a total of \$4,000 shall be available for enter-
21 tainment expenses: *Provided further*, That of the funds
22 made available by this Act under the heading “Trade and
23 Development Agency”, not to exceed \$2,000 shall be avail-
24 able for representation and entertainment allowances.

1 PROHIBITION ON FINANCING NUCLEAR GOODS

2 SEC. 506. None of the funds appropriated or made
3 available (other than funds for “Nonproliferation, Anti-
4 terrorism, Demining and Related Programs”) pursuant to
5 this Act, for carrying out the Foreign Assistance Act of
6 1961, may be used, except for purposes of nuclear safety,
7 to finance the export of nuclear equipment, fuel, or tech-
8 nology.

9 PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN
10 COUNTRIES

11 SEC. 507. None of the funds appropriated or other-
12 wise made available pursuant to this Act shall be obligated
13 or expended to finance directly any assistance or repara-
14 tions to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or
15 Syria: *Provided*, That for purposes of this section, the pro-
16 hibition on obligations or expenditures shall include direct
17 loans, credits, insurance and guarantees of the Export-Im-
18 port Bank or its agents.

19 MILITARY COUPS

20 SEC. 508. None of the funds appropriated or other-
21 wise made available pursuant to this Act shall be obligated
22 or expended to finance directly any assistance to any coun-
23 try whose duly elected Head of Government is deposed by
24 military coup or decree: *Provided*, That assistance may be
25 resumed to such country if the President determines and
26 reports to the Committees on Appropriations that subse-

1 quent to the termination of assistance a democratically
 2 elected government has taken office.

3 TRANSFERS BETWEEN ACCOUNTS

4 SEC. 509. None of the funds made available by this
 5 Act may be obligated under an appropriation account to
 6 which they were not appropriated, except for transfers
 7 specifically provided for in this Act, unless the President,
 8 prior to the exercise of any authority contained in the For-
 9 eign Assistance Act of 1961 to transfer funds, consults
 10 with and provides a written policy justification to the
 11 Committees on Appropriations of the House of Represent-
 12 atives and the Senate: *Provided*, That the exercise of such
 13 authority shall be subject to the regular notification proce-
 14 dures of the Committees on Appropriations.

15 DEOBLIGATION/REOBLIGATION AUTHORITY

16 SEC. 510. (a) Amounts certified pursuant to section
 17 1311 of the Supplemental Appropriations Act, 1955, as
 18 having been obligated against appropriations heretofore
 19 made under the authority of the Foreign Assistance Act
 20 of 1961 for the same general purpose as any of the head-
 21 ings under title II of this Act are, if deobligated, hereby
 22 continued available for the same period as the respective
 23 appropriations under such headings or until September
 24 30, 1998, whichever is later, and for the same general pur-
 25 pose, and for countries within the same region as origi-
 26 nally obligated: *Provided*, That the Appropriations Com-

1 mittees of both Houses of the Congress are notified fifteen
 2 days in advance of the reobligation of such funds in ac-
 3 cordance with regular notification procedures of the Com-
 4 mittees on Appropriations.

5 (b) Obligated balances of funds appropriated to carry
 6 out section 23 of the Arms Export Control Act as of the
 7 end of the fiscal year immediately preceding the current
 8 fiscal year are, if deobligated, hereby continued available
 9 during the current fiscal year for the same purpose under
 10 any authority applicable to such appropriations under this
 11 Act: *Provided*, That the authority of this subsection may
 12 not be used in fiscal year 1998.

13 AVAILABILITY OF FUNDS

14 SEC. 511. No part of any appropriation contained in
 15 this Act shall remain available for obligation after the ex-
 16 piration of the current fiscal year unless expressly so pro-
 17 vided in this Act: *Provided*, That funds appropriated for
 18 the purposes of chapters 1, 8, and 11 of part I, section
 19 667, and chapter 4 of part II of the Foreign Assistance
 20 Act of 1961, as amended, and funds provided under the
 21 heading “Assistance for Eastern Europe and the Baltic
 22 States”, shall remain available until expended if such
 23 funds are initially obligated before the expiration of their
 24 respective periods of availability contained in this Act:
 25 *Provided further*, That, notwithstanding any other provi-
 26 sion of this Act, any funds made available for the purposes

1 of chapter 1 of part I and chapter 4 of part II of the
2 Foreign Assistance Act of 1961 which are allocated for
3 cash disbursements in order to address balance of pay-
4 ments or economic policy reform objectives, shall remain
5 available until expended: *Provided further*, That the report
6 required by section 653(a) of the Foreign Assistance Act
7 of 1961 shall designate for each country, to the extent
8 known at the time of submission of such report, those
9 funds allocated for cash disbursement for balance of pay-
10 ment and economic policy reform purposes.

11 LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT
12 SEC. 512. No part of any appropriation contained in
13 this Act shall be used to furnish assistance to any country
14 which is in default during a period in excess of one cal-
15 endar year in payment to the United States of principal
16 or interest on any loan made to such country by the Unit-
17 ed States pursuant to a program for which funds are ap-
18 propriated under this Act: *Provided*, That this section and
19 section 620(q) of the Foreign Assistance Act of 1961 shall
20 not apply to funds made available in this Act or during
21 the current fiscal year for Nicaragua and Liberia, and for
22 any narcotics-related assistance for Colombia, Bolivia, and
23 Peru authorized by the Foreign Assistance Act of 1961
24 or the Arms Export Control Act.

COMMERCE AND TRADE

1
2 SEC. 513. (a) None of the funds appropriated or
3 made available pursuant to this Act for direct assistance
4 and none of the funds otherwise made available pursuant
5 to this Act to the Export-Import Bank and the Overseas
6 Private Investment Corporation shall be obligated or ex-
7 pended to finance any loan, any assistance or any other
8 financial commitments for establishing or expanding pro-
9 duction of any commodity for export by any country other
10 than the United States, if the commodity is likely to be
11 in surplus on world markets at the time the resulting pro-
12 ductive capacity is expected to become operative and if the
13 assistance will cause substantial injury to United States
14 producers of the same, similar, or competing commodity:
15 *Provided*, That such prohibition shall not apply to the Ex-
16 port-Import Bank if in the judgment of its Board of Direc-
17 tors the benefits to industry and employment in the Unit-
18 ed States are likely to outweigh the injury to United
19 States producers of the same, similar, or competing com-
20 modity, and the Chairman of the Board so notifies the
21 Committees on Appropriations.

22 (b) None of the funds appropriated by this or any
23 other Act to carry out chapter 1 of part I of the Foreign
24 Assistance Act of 1961 shall be available for any testing
25 or breeding feasibility study, variety improvement or intro-

(2) research activities intended primarily to benefit American producers.

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for

1 the production or extraction of any commodity or mineral
2 for export, if it is in surplus on world markets and if the
3 assistance will cause substantial injury to United States
4 producers of the same, similar, or competing commodity.

5 NOTIFICATION REQUIREMENTS

6 SEC. 515. For the purposes of providing the Execu-
7 tive Branch with the necessary administrative flexibility,
8 none of the funds made available under this Act for “Child
9 Survival and Disease Programs Fund”, “Development As-
10 sistance”, “International organizations and programs”,
11 “Trade and Development Agency”, “International narcot-
12 ics control”, “Assistance for Eastern Europe and the Bal-
13 tic States”, “Assistance for the New Independent States
14 of the Former Soviet Union”, “Economic Support Fund”,
15 “Peacekeeping operations”, “Operating expenses of the
16 Agency for International Development”, “Operating ex-
17 penses of the Agency for International Development Office
18 of Inspector General”, “Nonproliferation, anti-terrorism,
19 demining and related programs”, “Foreign Military Fi-
20 nancing Program”, “International military education and
21 training”, “Inter-American Foundation”, “African Devel-
22 opment Foundation”, “Peace Corps”, “Migration and ref-
23 ugee assistance”, shall be available for obligation for ac-
24 tivities, programs, projects, type of materiel assistance,
25 countries, or other operations not justified or in excess of
26 the amount justified to the Appropriations Committees for

1 obligation under any of these specific headings unless the
2 Appropriations Committees of both Houses of Congress
3 are previously notified fifteen days in advance: *Provided*,
4 That the President shall not enter into any commitment
5 of funds appropriated for the purposes of section 23 of
6 the Arms Export Control Act for the provision of major
7 defense equipment, other than conventional ammunition,
8 or other major defense items defined to be aircraft, ships,
9 missiles, or combat vehicles, not previously justified to
10 Congress or 20 per centum in excess of the quantities jus-
11 tified to Congress unless the Committees on Appropria-
12 tions are notified fifteen days in advance of such commit-
13 ment: *Provided further*, That this section shall not apply
14 to any reprogramming for an activity, program, or project
15 under chapter 1 of part I of the Foreign Assistance Act
16 of 1961 of less than 10 per centum of the amount pre-
17 viously justified to the Congress for obligation for such
18 activity, program, or project for the current fiscal year:
19 *Provided further*, That the requirements of this section or
20 any similar provision of this Act or any other Act, includ-
21 ing any prior Act requiring notification in accordance with
22 the regular notification procedures of the Committees on
23 Appropriations, may be waived if failure to do so would
24 pose a substantial risk to human health or welfare: *Pro-*
25 *vided further*, That in case of any such waiver, notification

1 to the Congress, or the appropriate congressional commit-
2 tees, shall be provided as early as practicable, but in no
3 event later than three days after taking the action to
4 which such notification requirement was applicable, in the
5 context of the circumstances necessitating such waiver:
6 *Provided further*, That any notification provided pursuant
7 to such a waiver shall contain an explanation of the emer-
8 gency circumstances.

9 Drawdowns made pursuant to section 506(a)(2) of
10 the Foreign Assistance Act of 1961 shall be subject to the
11 regular notification procedures of the Committees on Ap-
12 propriations.

13 LIMITATION ON AVAILABILITY OF FUNDS FOR
14 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

15 SEC. 516. Notwithstanding any other provision of law
16 or of this Act, none of the funds provided for “Inter-
17 national Organizations and Programs” shall be available
18 for the United States proportionate share, in accordance
19 with section 307(c) of the Foreign Assistance Act of 1961,
20 for any programs identified in section 307, or for Libya,
21 Iran, or, at the discretion of the President, Communist
22 countries listed in section 620(f) of the Foreign Assistance
23 Act of 1961, as amended: *Provided*, That, subject to the
24 regular notification procedures of the Committees on Ap-
25 propriations, funds appropriated under this Act or any
26 previously enacted Act making appropriations for foreign

1 operations, export financing, and related programs, which
2 are returned or not made available for organizations and
3 programs because of the implementation of this section
4 or any similar provision of law, shall remain available for
5 obligation through September 30, 1999.

6 ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

7 SEC. 517. The Congress finds that progress on the
8 peace process in the Middle East is vitally important to
9 United States security interests in the region. The Con-
10 gress recognizes that, in fulfilling its obligations under the
11 Treaty of Peace Between the Arab Republic of Egypt and
12 the State of Israel, done at Washington on March 26,
13 1979, Israel incurred severe economic burdens. Further-
14 more, the Congress recognizes that an economically and
15 militarily secure Israel serves the security interests of the
16 United States, for a secure Israel is an Israel which has
17 the incentive and confidence to continue pursuing the
18 peace process. Therefore, the Congress declares that, sub-
19 ject to the availability of appropriations, it is the policy
20 and the intention of the United States that the funds pro-
21 vided in annual appropriations for the Economic Support
22 Fund which are allocated to Israel shall not be less than
23 the annual debt repayment (interest and principal) from
24 Israel to the United States Government in recognition that
25 such a principle serves United States interests in the re-
26 gion.

1 PROHIBITION ON FUNDING FOR ABORTIONS AND
2 INVOLUNTARY STERILIZATION

3 SEC. 518. None of the funds made available to carry
4 out part I of the Foreign Assistance Act of 1961, as
5 amended, may be used to pay for the performance of abor-
6 tions as a method of family planning or to motivate or
7 coerce any person to practice abortions. None of the funds
8 made available to carry out part I of the Foreign Assist-
9 ance Act of 1961, as amended, may be used to pay for
10 the performance of involuntary sterilization as a method
11 of family planning or to coerce or provide any financial
12 incentive to any person to undergo sterilizations. None of
13 the funds made available to carry out part I of the Foreign
14 Assistance Act of 1961, as amended, may be used to pay
15 for any biomedical research which relates in whole or in
16 part, to methods of, or the performance of, abortions or
17 involuntary sterilization as a means of family planning.
18 None of the funds made available to carry out part I of
19 the Foreign Assistance Act of 1961, as amended, may be
20 obligated or expended for any country or organization if
21 the President certifies that the use of these funds by any
22 such country or organization would violate any of the
23 above provisions related to abortions and involuntary steri-
24 lizations: *Provided*, That none of the funds made available

1 under this Act may be used to lobby for or against abor-
2 tion.

3 AUTHORIZATION FOR POPULATION PLANNING

4 SEC. 518A. Not to exceed \$385,000,000 of the funds
5 appropriated in title II of this Act may be made available
6 for population planning activities or other population as-
7 sistance.

8 REPORTING REQUIREMENT

9 SEC. 519. The President shall submit to the Commit-
10 tees on Appropriations the reports required by section
11 25(a)(1) of the Arms Export Control Act.

12 SPECIAL NOTIFICATION REQUIREMENTS

13 SEC. 520. None of the funds appropriated in this Act
14 shall be obligated or expended for Colombia, Haiti, Libe-
15 ria, Pakistan, Panama, Peru, Russia, Serbia, Sudan, or
16 the Democratic Republic of Congo except as provided
17 through the regular notification procedures of the Com-
18 mittees on Appropriations.

19 DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

20 SEC. 521. For the purpose of this Act, “program,
21 project, and activity” shall be defined at the Appropria-
22 tions Act account level and shall include all Appropriations
23 and Authorizations Acts earmarks, ceilings, and limita-
24 tions with the exception that for the following accounts:
25 Economic Support Fund and Foreign Military Financing
26 Program, “program, project, and activity” shall also be

1 considered to include country, regional, and central pro-
2 gram level funding within each such account; for the devel-
3 opment assistance accounts of the Agency for Inter-
4 national Development “program, project, and activity”
5 shall also be considered to include central program level
6 funding, either as (1) justified to the Congress, or (2) allo-
7 cated by the executive branch in accordance with a report,
8 to be provided to the Committees on Appropriations within
9 thirty days of enactment of this Act, as required by section
10 653(a) of the Foreign Assistance Act of 1961.

11 CHILD SURVIVAL AND AIDS ACTIVITIES

12 SEC. 522. Up to \$8,000,000 of the funds made avail-
13 able by this Act for assistance for family planning, health,
14 child survival, and AIDS, may be used to reimburse Unit-
15 ed States Government agencies, agencies of State govern-
16 ments, institutions of higher learning, and private and vol-
17 untary organizations for the full cost of individuals (in-
18 cluding for the personal services of such individuals) de-
19 tailed or assigned to, or contracted by, as the case may
20 be, the Agency for International Development for the pur-
21 pose of carrying out family planning activities, child sur-
22 vival activities, and activities relating to research on, and
23 the treatment and control of acquired immune deficiency
24 syndrome in developing countries: *Provided*, That funds
25 appropriated by this Act that are made available for child
26 survival activities or activities relating to research on, and

1 the treatment and control of, acquired immune deficiency
 2 syndrome may be made available notwithstanding any pro-
 3 vision of law that restricts assistance to foreign countries:
 4 *Provided further*, That funds appropriated by this Act that
 5 are made available for family planning activities may be
 6 made available notwithstanding section 512 of this Act
 7 and section 620(q) of the Foreign Assistance Act of 1961.

8 PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN
 9 COUNTRIES

10 SEC. 523. None of the funds appropriated or other-
 11 wise made available pursuant to this Act shall be obligated
 12 to finance indirectly any assistance or reparations to
 13 Cuba, Iraq, Libya, Iran, Syria, North Korea, or the Peo-
 14 ple's Republic of China, unless the President of the United
 15 States certifies that the withholding of these funds is con-
 16 trary to the national interest of the United States.

17 RECIPROCAL LEASING

18 SEC. 524. Section 61(a) of the Arms Export Control
 19 Act is amended by striking out "1997" and inserting in
 20 lieu thereof "1998".

21 NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

22 SEC. 525. Prior to providing excess Department of
 23 Defense articles in accordance with section 516(a) of the
 24 Foreign Assistance Act of 1961, the Department of De-
 25 fense shall notify the Committees on Appropriations to the
 26 same extent and under the same conditions as are other

1 committees pursuant to subsection (c) of that section: *Pro-*
 2 *vided*, That before issuing a letter of offer to sell excess
 3 defense articles under the Arms Export Control Act, the
 4 Department of Defense shall notify the Committees on
 5 Appropriations in accordance with the regular notification
 6 procedures of such Committees: *Provided further*, That
 7 such Committees shall also be informed of the original ac-
 8 quisition cost of such defense articles.

9 AUTHORIZATION REQUIREMENT

10 SEC. 526. Funds appropriated by this Act may be
 11 obligated and expended subject to section 10 of Public
 12 Law 91-672 and section 15 of the State Department
 13 Basic Authorities Act of 1956.

14 PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST
 15 COUNTRIES

16 SEC. 527. (a) Notwithstanding any other provision
 17 of law, funds appropriated for bilateral assistance under
 18 any heading of this Act and funds appropriated under any
 19 such heading in a provision of law enacted prior to enact-
 20 ment of this Act, shall not be made available to any coun-
 21 try which the President determines—

- 22 (1) grants sanctuary from prosecution to any
 23 individual or group which has committed an act of
 24 international terrorism; or
 25 (2) otherwise supports international terrorism.

1 (b) The President may waive the application of sub-
2 section (a) to a country if the President determines that
3 national security or humanitarian reasons justify such
4 waiver. The President shall publish each waiver in the
5 Federal Register and, at least fifteen days before the waiv-
6 er takes effect, shall notify the Committees on Appropria-
7 tions of the waiver (including the justification for the waiv-
8 er) in accordance with the regular notification procedures
9 of the Committees on Appropriations.

10 COMMERCIAL LEASING OF DEFENSE ARTICLES

11 SEC. 528. Notwithstanding any other provision of
12 law, and subject to the regular notification procedures of
13 the Committees on Appropriations, the authority of sec-
14 tion 23(a) of the Arms Export Control Act may be used
15 to provide financing to Israel, Egypt and NATO and
16 major non-NATO allies for the procurement by leasing
17 (including leasing with an option to purchase) of defense
18 articles from United States commercial suppliers, not in-
19 cluding Major Defense Equipment (other than helicopters
20 and other types of aircraft having possible civilian applica-
21 tion), if the President determines that there are compel-
22 ling foreign policy or national security reasons for those
23 defense articles being provided by commercial lease rather
24 than by government-to-government sale under such Act.

1 COMPETITIVE INSURANCE

2 SEC. 528A. All Agency for International Development
3 contracts and solicitations, and subcontracts entered into
4 under such contracts, shall include a clause requiring that
5 United States insurance companies have a fair oppor-
6 tunity to bid for insurance when such insurance is nec-
7 essary or appropriate.

8 STINGERS IN THE PERSIAN GULF REGION

9 SEC. 529. Except as provided in section 581 of the
10 Foreign Operations, Export Financing, and Related Pro-
11 grams Appropriations Act, 1990, the United States may
12 not sell or otherwise make available any Stingers to any
13 country bordering the Persian Gulf under the Arms Ex-
14 port Control Act or chapter 2 of part II of the Foreign
15 Assistance Act of 1961.

16 DEBT-FOR-DEVELOPMENT

17 SEC. 530. In order to enhance the continued partici-
18 pation of nongovernmental organizations in economic as-
19 sistance activities under the Foreign Assistance Act of
20 1961, including endowments, debt-for-development and
21 debt-for-nature exchanges, a nongovernmental organiza-
22 tion which is a grantee or contractor of the Agency for
23 International Development may place in interest bearing
24 accounts funds made available under this Act or prior Acts
25 or local currencies which accrue to that organization as
26 a result of economic assistance provided under title II of

1 this Act and any interest earned on such investment shall
2 be used for the purpose for which the assistance was pro-
3 vided to that organization.

4 SEPARATE ACCOUNTS

5 SEC. 531. (a) SEPARATE ACCOUNTS FOR LOCAL
6 CURRENCIES.—(1) If assistance is furnished to the gov-
7 ernment of a foreign country under chapters 1 and 10 of
8 part I or chapter 4 of part II of the Foreign Assistance
9 Act of 1961 under agreements which result in the genera-
10 tion of local currencies of that country, the Administrator
11 of the Agency for International Development shall—

12 (A) require that local currencies be deposited in
13 a separate account established by that government;

14 (B) enter into an agreement with that govern-
15 ment which sets forth—

16 (i) the amount of the local currencies to be
17 generated; and

18 (ii) the terms and conditions under which
19 the currencies so deposited may be utilized, con-
20 sistent with this section; and

21 (C) establish by agreement with that govern-
22 ment the responsibilities of the Agency for Inter-
23 national Development and that government to mon-
24 itor and account for deposits into and disbursements
25 from the separate account.

1 (2) USES OF LOCAL CURRENCIES.—As may be
2 agreed upon with the foreign government, local currencies
3 deposited in a separate account pursuant to subsection
4 (a), or an equivalent amount of local currencies, shall be
5 used only—

6 (A) to carry out chapters 1 or 10 of part I or
7 chapter 4 of part II (as the case may be), for such
8 purposes as—

9 (i) project and sector assistance activities;

10 or

11 (ii) debt and deficit financing; or

12 (B) for the administrative requirements of the
13 United States Government.

14 (3) PROGRAMMING ACCOUNTABILITY.—The Agency
15 for International Development shall take all necessary
16 steps to ensure that the equivalent of the local currencies
17 disbursed pursuant to subsection (a)(2)(A) from the sepa-
18 rate account established pursuant to subsection (a)(1) are
19 used for the purposes agreed upon pursuant to subsection
20 (a)(2).

21 (4) TERMINATION OF ASSISTANCE PROGRAMS.—
22 Upon termination of assistance to a country under chap-
23 ters 1 or 10 of part I or chapter 4 of part II (as the case
24 may be), any unencumbered balances of funds which re-
25 main in a separate account established pursuant to sub-

1 section (a) shall be disposed of for such purposes as may
2 be agreed to by the government of that country and the
3 United States Government.

4 (5) CONFORMING AMENDMENTS.—The provisions of
5 this subsection shall supersede the tenth and eleventh pro-
6 visos contained under the heading “Sub-Saharan Africa,
7 Development Assistance” as included in the Foreign Oper-
8 ations, Export Financing, and Related Programs Appro-
9 priations Act, 1989 and sections 531(d) and 609 of the
10 Foreign Assistance Act of 1961.

11 (6) REPORTING REQUIREMENT.—The Administrator
12 of the Agency for International Development shall report
13 on an annual basis as part of the justification documents
14 submitted to the Committees on Appropriations on the use
15 of local currencies for the administrative requirements of
16 the United States Government as authorized in subsection
17 (a)(2)(B), and such report shall include the amount of
18 local currency (and United States dollar equivalent) used
19 and/or to be used for such purpose in each applicable
20 country.

21 (b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—
22 (1) If assistance is made available to the government of
23 a foreign country, under chapters 1 or 10 of part I or
24 chapter 4 of part II of the Foreign Assistance Act of 1961,
25 as cash transfer assistance or as nonproject sector assist-

1 ance, that country shall be required to maintain such
2 funds in a separate account and not commingle them with
3 any other funds.

4 (2) APPLICABILITY OF OTHER PROVISIONS OF
5 LAW.—Such funds may be obligated and expended not-
6 withstanding provisions of law which are inconsistent with
7 the nature of this assistance including provisions which
8 are referenced in the Joint Explanatory Statement of the
9 Committee of Conference accompanying House Joint Res-
10 olution 648 (H. Report No. 98–1159).

11 (3) NOTIFICATION.—At least fifteen days prior to ob-
12 ligating any such cash transfer or nonproject sector assist-
13 ance, the President shall submit a notification through the
14 regular notification procedures of the Committees on Ap-
15 propriations, which shall include a detailed description of
16 how the funds proposed to be made available will be used,
17 with a discussion of the United States interests that will
18 be served by the assistance (including, as appropriate, a
19 description of the economic policy reforms that will be pro-
20 moted by such assistance).

21 (4) EXEMPTION.—Nonproject sector assistance funds
22 may be exempt from the requirements of subsection (b)(1)
23 only through the notification procedures of the Commit-
24 tees on Appropriations.

1 COMPENSATION FOR UNITED STATES EXECUTIVE

2 DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

3 SEC. 532. (a) No funds appropriated by this Act may
4 be made as payment to any international financial institu-
5 tion while the United States Executive Director to such
6 institution is compensated by the institution at a rate
7 which, together with whatever compensation such Director
8 receives from the United States, is in excess of the rate
9 provided for an individual occupying a position at level IV
10 of the Executive Schedule under section 5315 of title 5,
11 United States Code, or while any alternate United States
12 Director to such institution is compensated by the institu-
13 tion at a rate in excess of the rate provided for an individ-
14 ual occupying a position at level V of the Executive Sched-
15 ule under section 5316 of title 5, United States Code.

16 (b) For purposes of this section, “international finan-
17 cial institutions” are: the International Bank for Recon-
18 struction and Development, the Inter-American Develop-
19 ment Bank, the Asian Development Bank, the Asian De-
20 velopment Fund, the African Development Bank, the Afri-
21 can Development Fund, the International Monetary Fund,
22 the North American Development Bank, and the Euro-
23 pean Bank for Reconstruction and Development.

1 COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST
2 IRAQ

3 SEC. 533. None of the funds appropriated or other-
4 wise made available pursuant to this Act to carry out the
5 Foreign Assistance Act of 1961 (including title IV of
6 chapter 2 of part I, relating to the Overseas Private In-
7 vestment Corporation) or the Arms Export Control Act
8 may be used to provide assistance to any country that is
9 not in compliance with the United Nations Security Coun-
10 cil sanctions against Iraq unless the President determines
11 and so certifies to the Congress that—

12 (1) such assistance is in the national interest of
13 the United States;

14 (2) such assistance will directly benefit the
15 needy people in that country; or

16 (3) the assistance to be provided will be human-
17 itarian assistance for foreign nationals who have fled
18 Iraq and Kuwait.

19 COMPETITIVE PRICING FOR SALES OF DEFENSE

20 ARTICLES

21 SEC. 534. Direct costs associated with meeting a for-
22 eign customer's additional or unique requirements will
23 continue to be allowable under contracts under section
24 22(d) of the Arms Export Control Act. Loadings applica-
25 ble to such direct costs shall be permitted at the same

1 rates applicable to procurement of like items purchased
 2 by the Department of Defense for its own use.

3 EXTENSION OF AUTHORITY TO OBLIGATE FUNDS TO
 4 CLOSE THE SPECIAL DEFENSE ACQUISITION FUND

5 SEC. 535. Title III of Public Law 103–306 is amend-
 6 ed under the heading “Special Defense Acquisition Fund”
 7 by striking “1998” and inserting “2000”.

8 CASH FLOW FINANCING

9 SEC. 536. For each country that has been approved
 10 for cash flow financing (as defined in section 25(d) of the
 11 Arms Export Control Act, as added by section 112(b) of
 12 Public Law 99–83) under the Foreign Military Financing
 13 Program, any Letter of Offer and Acceptance or other
 14 purchase agreement, or any amendment thereto, for a pro-
 15 curement in excess of \$100,000,000 that is to be financed
 16 in whole or in part with funds made available under this
 17 Act shall be submitted through the regular notification
 18 procedures to the Committees on Appropriations.

19 AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMER-
 20 ICAN FOUNDATION AND THE AFRICAN DEVELOP-
 21 MENT FOUNDATION

22 SEC. 537. Unless expressly provided to the contrary,
 23 provisions of this or any other Act, including provisions
 24 contained in prior Acts authorizing or making appropria-
 25 tions for foreign operations, export financing, and related
 26 programs, shall not be construed to prohibit activities au-

1 thorized by or conducted under the Peace Corps Act, the
2 Inter-American Foundation Act, or the African Develop-
3 ment Foundation Act. The appropriate agency shall
4 promptly report to the Committees on Appropriations
5 whenever it is conducting activities or is proposing to con-
6 duct activities in a country for which assistance is prohib-
7 ited.

8 IMPACT ON JOBS IN THE UNITED STATES

9 SEC. 538. None of the funds appropriated by this Act
10 may be obligated or expended to provide—

11 (a) any financial incentive to a business enter-
12 prise currently located in the United States for the
13 purpose of inducing such an enterprise to relocate
14 outside the United States if such incentive or in-
15 ducement is likely to reduce the number of employ-
16 ees of such business enterprise in the United States
17 because United States production is being replaced
18 by such enterprise outside the United States;

19 (b) assistance for the purpose of establishing or
20 developing in a foreign country any export process-
21 ing zone or designated area in which the tax, tariff,
22 labor, environment, and safety laws of that country
23 do not apply, in part or in whole, to activities car-
24 ried out within that zone or area, unless the Presi-
25 dent determines and certifies that such assistance is

1 not likely to cause a loss of jobs within the United
2 States; or

3 (c) assistance for any project or activity that
4 contributes to the violation of internationally recog-
5 nized workers rights, as defined in section 502(a)(4)
6 of the Trade Act of 1974, of workers in the recipient
7 country, including any designated zone or area in
8 that country: *Provided*, That in recognition that the
9 application of this subsection should be commensu-
10 rate with the level of development of the recipient
11 country and sector, the provisions of this subsection
12 shall not preclude assistance for the informal sector
13 in such country, micro and small-scale enterprise,
14 and smallholder agriculture.

15 SPECIAL AUTHORITIES

16 SEC. 539. (a) Funds appropriated in title II of this
17 Act that are made available for Afghanistan, Lebanon,
18 and Cambodia, and for victims of war, displaced children,
19 displaced Burmese, humanitarian assistance for Romania,
20 and humanitarian assistance for the peoples of Bosnia and
21 Herzegovina, Croatia, and Kosova, may be made available
22 notwithstanding any other provision of law: *Provided*,
23 That any such funds that are made available for Cam-
24 bodia shall be subject to the provisions of section 531(e)
25 of the Foreign Assistance Act of 1961 and section 906

1 of the International Security and Development Coopera-
 2 tion Act of 1985.

3 (b) Funds appropriated by this Act to carry out the
 4 provisions of sections 103 through 106 of the Foreign As-
 5 sistance Act of 1961 may be used, notwithstanding any
 6 other provision of law, for the purpose of supporting tropi-
 7 cal forestry and energy programs aimed at reducing emis-
 8 sions of greenhouse gases, and for the purpose of support-
 9 ing biodiversity conservation activities: *Provided*, That
 10 such assistance shall be subject to sections 116, 502B, and
 11 620A of the Foreign Assistance Act of 1961.

12 (c) The Agency for International Development may
 13 employ personal services contractors, notwithstanding any
 14 other provision of law, for the purpose of administering
 15 programs for the West Bank and Gaza.

16 POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT
 17 OF ISRAEL

18 SEC. 540. It is the sense of the Congress that—

19 (1) the Arab League countries should imme-
 20 diately and publicly renounce the primary boycott of
 21 Israel and the secondary and tertiary boycott of
 22 American firms that have commercial ties with Is-
 23 rael; and

24 (2) the decision by the Arab League in 1997 to
 25 reinstate the boycott against Israel was deeply trou-
 26 bling and disappointing; and

1 (3) the Arab League should immediately re-
2 scind its decision on the boycott and its members
3 should develop normal relations with their neighbor
4 Israel; and

5 (4) the President should—

6 (A) take more concrete steps to encourage
7 vigorous Arab League countries to renounce
8 publicly the primary boycotts of Israel and the
9 secondary and tertiary boycotts of American
10 firms that have commercial relations with Israel
11 as a confidence-building measure;

12 (B) take into consideration the participa-
13 tion of any recipient country in the primary
14 boycott of Israel and the secondary and tertiary
15 boycotts of American firms that have commer-
16 cial relations with Israel when determining
17 whether to sell weapons to said country;

18 (C) report to Congress on the specific
19 steps being taken by the President to bring
20 about a public renunciation of the Arab primary
21 boycott of Israel and the secondary and tertiary
22 boycotts of American firms that have commer-
23 cial relations with Israel and to expand the
24 process of normalizing ties between Arab
25 League countries and Israel; and

1 (D) encourage the allies and trading part-
2 ners of the United States to enact laws prohib-
3 iting businesses from complying with the boy-
4 cott and penalizing businesses that do comply.

5 ANTI-NARCOTICS ACTIVITIES

6 SEC. 541. (a) Of the funds appropriated or otherwise
7 made available by this Act for “Economic Support Fund”,
8 assistance may be provided to strengthen the administra-
9 tion of justice in countries in Latin America and the Car-
10 ibbean and in other regions consistent with the provisions
11 of section 534(b) of the Foreign Assistance Act of 1961,
12 except that programs to enhance protection of participants
13 in judicial cases may be conducted notwithstanding section
14 660 of that Act.

15 (b) Funds made available pursuant to this section
16 may be made available notwithstanding section 534(c) and
17 the second and third sentences of section 534(e) of the
18 Foreign Assistance Act of 1961. Funds made available
19 pursuant to subsection (a) for Bolivia, Colombia, and Peru
20 may be made available notwithstanding section 534(c) and
21 the second sentence of section 534(e) of the Foreign As-
22 sistance Act of 1961.

23 ELIGIBILITY FOR ASSISTANCE

24 SEC. 542. (a) ASSISTANCE THROUGH NONGOVERN-
25 MENTAL ORGANIZATIONS.—Restrictions contained in this
26 or any other Act with respect to assistance for a country

1 shall not be construed to restrict assistance in support of
2 programs of nongovernmental organizations from funds
3 appropriated by this Act to carry out the provisions of
4 chapters 1 and 10 and 11 of part I, and chapter 4 of
5 part II, of the Foreign Assistance Act of 1961: *Provided*,
6 That the President shall take into consideration, in any
7 case in which a restriction on assistance would be applica-
8 ble but for this subsection, whether assistance in support
9 of programs of nongovernmental organizations is in the
10 national interest of the United States: *Provided further*,
11 That before using the authority of this subsection to fur-
12 nish assistance in support of programs of nongovern-
13 mental organizations, the President shall notify the Com-
14 mittees on Appropriations under the regular notification
15 procedures of those committees, including a description of
16 the program to be assisted, the assistance to be provided,
17 and the reasons for furnishing such assistance: *Provided*
18 *further*, That nothing in this subsection shall be construed
19 to alter any existing statutory prohibitions against abor-
20 tion or involuntary sterilizations contained in this or any
21 other Act.

22 (b) PUBLIC LAW 480.—During fiscal year 1998, re-
23 strictions contained in this or any other Act with respect
24 to assistance for a country shall not be construed to re-
25 strict assistance under the Agricultural Trade Develop-

1 ment and Assistance Act of 1954: *Provided*, That none
2 of the funds appropriated to carry out title I of such Act
3 and made available pursuant to this subsection may be
4 obligated or expended except as provided through the reg-
5 ular notification procedures of the Committees on Appro-
6 priations.

7 (c) EXCEPTION.—This section shall not apply—

8 (1) with respect to section 620A of the Foreign
9 Assistance Act or any comparable provision of law
10 prohibiting assistance to countries that support
11 international terrorism; or

12 (2) with respect to section 116 of the Foreign
13 Assistance Act of 1961 or any comparable provision
14 of law prohibiting assistance to countries that violate
15 internationally recognized human rights.

16 EARMARKS

17 SEC. 543. (a) Funds appropriated by this Act which
18 are earmarked may be reprogrammed for other programs
19 within the same account notwithstanding the earmark if
20 compliance with the earmark is made impossible by oper-
21 ation of any provision of this or any other Act or, with
22 respect to a country with which the United States has an
23 agreement providing the United States with base rights
24 or base access in that country, if the President determines
25 that the recipient for which funds are earmarked has sig-
26 nificantly reduced its military or economic cooperation

1 with the United States since enactment of the Foreign Op-
2 erations, Export Financing, and Related Programs Appro-
3 priations Act, 1991; however, before exercising the author-
4 ity of this subsection with regard to a base rights or base
5 access country which has significantly reduced its military
6 or economic cooperation with the United States, the Presi-
7 dent shall consult with, and shall provide a written policy
8 justification to the Committees on Appropriations: *Pro-*
9 *vided*, That any such reprogramming shall be subject to
10 the regular notification procedures of the Committees on
11 Appropriations: *Provided further*, That assistance that is
12 reprogrammed pursuant to this subsection shall be made
13 available under the same terms and conditions as origi-
14 nally provided.

15 (b) In addition to the authority contained in sub-
16 section (a), the original period of availability of funds ap-
17 propriated by this Act and administered by the Agency
18 for International Development that are earmarked for par-
19 ticular programs or activities by this or any other Act shall
20 be extended for an additional fiscal year if the Adminis-
21 trator of such agency determines and reports promptly to
22 the Committees on Appropriations that the termination of
23 assistance to a country or a significant change in cir-
24 cumstances makes it unlikely that such earmarked funds
25 can be obligated during the original period of availability:

1 *Provided*, That such earmarked funds that are continued
2 available for an additional fiscal year shall be obligated
3 only for the purpose of such earmark.

4 CEILINGS AND EARMARKS

5 SEC. 544. Ceilings and earmarks contained in this
6 Act shall not be applicable to funds or authorities appro-
7 priated or otherwise made available by any subsequent Act
8 unless such Act specifically so directs.

9 PROHIBITION ON PUBLICITY OR PROPAGANDA

10 SEC. 545. No part of any appropriation contained in
11 this Act shall be used for publicity or propaganda purposes
12 within the United States not authorized before the date
13 of enactment of this Act by the Congress: *Provided*, That
14 not to exceed \$500,000 may be made available to carry
15 out the provisions of section 316 of Public Law 96-533.

16 USE OF AMERICAN RESOURCES

17 SEC. 546. To the maximum extent possible, assist-
18 ance provided under this Act should make full use of
19 American resources, including commodities, products, and
20 services.

21 PROHIBITION OF PAYMENTS TO UNITED NATIONS

22 MEMBERS

23 SEC. 547. None of the funds appropriated or made
24 available pursuant to this Act for carrying out the Foreign
25 Assistance Act of 1961, may be used to pay in whole or

1 in part any assessments, arrearages, or dues of any mem-
2 ber of the United Nations.

3 CONSULTING SERVICES

4 SEC. 548. The expenditure of any appropriation
5 under this Act for any consulting service through procure-
6 ment contract, pursuant to section 3109 of title 5, United
7 States Code, shall be limited to those contracts where such
8 expenditures are a matter of public record and available
9 for public inspection, except where otherwise provided
10 under existing law, or under existing Executive order pur-
11 suant to existing law.

12 PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

13 SEC. 549. None of the funds appropriated or made
14 available pursuant to this Act shall be available to a pri-
15 vate voluntary organization which fails to provide upon
16 timely request any document, file, or record necessary to
17 the auditing requirements of the Agency for International
18 Development.

19 PROHIBITION ON ASSISTANCE TO FOREIGN GOVERN-
20 MENTS THAT EXPORT LETHAL MILITARY EQUIP-
21 MENT TO COUNTRIES SUPPORTING INTERNATIONAL
22 TERRORISM

23 SEC. 550. (a) None of the funds appropriated or oth-
24 erwise made available by this Act may be available to any
25 foreign government which provides lethal military equip-
26 ment to a country the government of which the Secretary

1 of State has determined is a terrorist government for pur-
2 poses of section 40(d) of the Arms Export Control Act.
3 The prohibition under this section with respect to a for-
4 eign government shall terminate 12 months after that gov-
5 ernment ceases to provide such military equipment. This
6 section applies with respect to lethal military equipment
7 provided under a contract entered into after April 24,
8 1996.

9 (b) Assistance restricted by subsection (a) or any
10 other similar provision of law, may be furnished if the
11 President determines that furnishing such assistance is
12 important to the national interests of the United States.

13 (c) Whenever the waiver of subsection (b) is exer-
14 cised, the President shall submit to the appropriate con-
15 gressional committees a report with respect to the furnish-
16 ing of such assistance. Any such report shall include a de-
17 tailed explanation of the assistance estimated to be pro-
18 vided, including the estimated dollar amount of such as-
19 sistance, and an explanation of how the assistance fur-
20 thers United States national interests.

21 WITHHOLDING OF ASSISTANCE FOR PARKING FINES

22 OWED BY FOREIGN COUNTRIES

23 SEC. 551. (a) IN GENERAL.—Of the funds made
24 available for a foreign country under part I of the Foreign
25 Assistance Act of 1961, an amount equivalent to 110 per-
26 cent of the total unpaid fully adjudicated parking fines

1 and penalties owed to the District of Columbia by such
2 country as of the date of enactment of this Act shall be
3 withheld from obligation for such country until the Sec-
4 retary of State certifies and reports in writing to the ap-
5 propriate congressional committees that such fines and
6 penalties are fully paid to the government of the District
7 of Columbia.

8 (b) DEFINITION.—For purposes of this section, the
9 term “appropriate congressional committees” means the
10 Committee on Foreign Relations and the Committee on
11 Appropriations of the Senate and the Committee on Inter-
12 national Relations and the Committee on Appropriations
13 of the House of Representatives.

14 LIMITATION ON ASSISTANCE FOR THE PLO FOR THE
15 WEST BANK AND GAZA

16 SEC. 552. None of the funds appropriated by this Act
17 may be obligated for assistance for the Palestine Libera-
18 tion Organization for the West Bank and Gaza unless the
19 President has exercised the authority under section 604(a)
20 of the Middle East Peace Facilitation Act of 1995 (title
21 VI of Public Law 104–107) or any other legislation to sus-
22 pend or make inapplicable section 307 of the Foreign As-
23 sistance Act of 1961 and that suspension is still in effect:
24 *Provided*, That if the President fails to make the certifi-
25 cation under section 604(b)(2) of the Middle East Peace
26 Facilitation Act of 1995 or to suspend the prohibition

1 under other legislation, funds appropriated by this Act
2 may not be obligated for assistance for the Palestine Lib-
3 eration Organization for the West Bank and Gaza.

4 EXPORT FINANCING TRANSFER AUTHORITIES

5 SEC. 553. Not to exceed 5 percent of any appropria-
6 tion other than for administrative expenses made available
7 for fiscal year 1998 for programs under title I of this Act
8 may be transferred between such appropriations for use
9 for any of the purposes, programs and activities for which
10 the funds in such receiving account may be used, but no
11 such appropriation, except as otherwise specifically pro-
12 vided, shall be increased by more than 25 percent by any
13 such transfer: *Provided*, That the exercise of such author-
14 ity shall be subject to the regular notification procedures
15 of the Committees on Appropriations.

16 WAR CRIMES TRIBUNALS

17 SEC. 554. If the President determines that doing so
18 will contribute to a just resolution of charges regarding
19 genocide or other violations of international humanitarian
20 law, the President may direct a drawdown pursuant to sec-
21 tion 552(c) of the Foreign Assistance Act of 1961, as
22 amended, of up to \$25,000,000 of commodities and serv-
23 ices for the United Nations War Crimes Tribunal estab-
24 lished with regard to the former Yugoslavia by the United
25 Nations Security Council or such other tribunals or com-
26 missions as the Council may establish to deal with such

1 violations, without regard to the ceiling limitation con-
2 tained in paragraph (2) thereof: *Provided*, That the deter-
3 mination required under this section shall be in lieu of
4 any determinations otherwise required under section
5 552(c): *Provided further*, That 60 days after the date of
6 enactment of this Act, and every 180 days thereafter, the
7 Secretary of State shall submit a report to the Committees
8 on Appropriations describing the steps the United States
9 Government is taking to collect information regarding alle-
10 gations of genocide or other violations of international law
11 in the former Yugoslavia and to furnish that information
12 to the United Nations War Crimes Tribunal for the former
13 Yugoslavia.

14 LANDMINES

15 SEC. 555. Notwithstanding any other provision of
16 law, demining equipment available to the Agency for Inter-
17 national Development and the Department of State and
18 used in support of the clearing of landmines and
19 unexploded ordnance for humanitarian purposes may be
20 disposed of on a grant basis in foreign countries, subject
21 to such terms and conditions as the President may pre-
22 scribe.

23 RESTRICTIONS CONCERNING THE PALESTINIAN

24 AUTHORITY

25 SEC. 556. None of the funds appropriated by this Act
26 may be obligated or expended to create in any part of Je-

1 Jerusalem a new office of any department or agency of the
 2 United States Government for the purpose of conducting
 3 official United States Government business with the Pal-
 4 estinian Authority over Gaza and Jericho or any successor
 5 Palestinian governing entity provided for in the Israel-
 6 PLO Declaration of Principles: *Provided*, That this re-
 7 striction shall not apply to the acquisition of additional
 8 space for the existing Consulate General in Jerusalem:
 9 *Provided further*, That meetings between officers and em-
 10 ployees of the United States and officials of the Palestin-
 11 ian Authority, or any successor Palestinian governing en-
 12 tity provided for in the Israel-PLO Declaration of Prin-
 13 ciples, for the purpose of conducting official United States
 14 Government business with such authority should continue
 15 to take place in locations other than Jerusalem. As has
 16 been true in the past, officers and employees of the United
 17 States Government may continue to meet in Jerusalem on
 18 other subjects with Palestinians (including those who now
 19 occupy positions in the Palestinian Authority), have social
 20 contacts, and have incidental discussions.

21 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

22 SEC. 557. None of the funds appropriated or other-
 23 wise made available by this Act under the heading
 24 “INTERNATIONAL MILITARY EDUCATION AND TRAINING”
 25 or “FOREIGN MILITARY FINANCING PROGRAM” for Infor-

1 mational Program activities may be obligated or expended
2 to pay for—

3 (1) alcoholic beverages;

4 (2) food (other than food provided at a military
5 installation) not provided in conjunction with Infor-
6 mational Program trips where students do not stay
7 at a military installation; or

8 (3) entertainment expenses for activities that
9 are substantially of a recreational character, includ-
10 ing entrance fees at sporting events and amusement
11 parks.

12 EQUITABLE ALLOCATION OF FUNDS

13 SEC. 558. Not more than 18 percent of the funds
14 appropriated by this Act to carry out the provisions of sec-
15 tions 103 through 106 and chapter 4 of part II of the
16 Foreign Assistance Act of 1961, that are made available
17 for Latin America and the Caribbean region may be made
18 available, through bilateral and Latin America and the
19 Caribbean regional programs, to provide assistance for
20 any country in such region.

21 PURCHASE OF AMERICAN-MADE EQUIPMENT AND
22 PRODUCTS

23 SEC. 559. (a) SENSE OF CONGRESS.—It is the sense
24 of the Congress that, to the greatest extent practicable,
25 all equipment and products purchased with funds made
26 available in this Act should be American-made.

1 (b) NOTICE REQUIREMENT.—In providing financial
 2 assistance to, or entering into any contract with, any en-
 3 tity using funds made available in this Act, the head of
 4 each Federal agency, to the greatest extent practicable,
 5 shall provide to such entity a notice describing the state-
 6 ment made in subsection (a) by the Congress.

7 LIMITATION OF FUNDS FOR NORTH AMERICAN
 8 DEVELOPMENT BANK

9 SEC. 560. None of the Funds appropriated in this
 10 Act under the heading “North American Development
 11 Bank” and made available for the Community Adjustment
 12 and Investment Program shall be used for purposes other
 13 than those set out in the binational agreement establishing
 14 the Bank.

15 INTERNATIONAL DEVELOPMENT ASSOCIATION

16 SEC. 561. In order to pay for the United States con-
 17 tribution to the eleventh replenishment of the resources
 18 of the International Development Association, there are
 19 authorized to be appropriated, without fiscal year limita-
 20 tion, \$606,000,000 for payment by the Secretary of the
 21 Treasury.

22 SPECIAL DEBT RELIEF FOR THE POOREST

23 SEC. 562. (a) AUTHORITY TO REDUCE DEBT.—The
 24 President may reduce amounts owed to the United States
 25 (or any agency of the United States) by an eligible country
 26 as a result of—

1 (1) guarantees issued under sections 221 and
2 222 of the Foreign Assistance Act of 1961; or

3 (2) credits extended or guarantees issued under
4 the Arms Export Control Act.

5 (b) LIMITATIONS.—

6 (1) The authority provided by subsection (a)
7 may be exercised only to implement multilateral offi-
8 cial debt relief and referendum agreements, com-
9 monly referred to as “Paris Club Agreed Minutes”.

10 (2) The authority provided by subsection (a)
11 may be exercised only in such amounts or to such
12 extent as is provided in advance by appropriations
13 Acts.

14 (3) The authority provided by subsection (a)
15 may be exercised only with respect to countries with
16 heavy debt burdens that are eligible to borrow from
17 the International Development Association, but not
18 from the International Bank for Reconstruction and
19 Development, commonly referred to as “IDA-only”
20 countries.

21 (c) CONDITIONS.—The authority provided by sub-
22 section (a) may be exercised only with respect to a country
23 whose government—

24 (1) does not have an excessive level of military
25 expenditures;

1 (2) has not repeatedly provided support for acts
2 of international terrorism;

3 (3) is not failing to cooperate on international
4 narcotics control matters;

5 (4) (including its military or other security
6 forces) does not engage in a consistent pattern of
7 gross violations of internationally recognized human
8 rights; and

9 (5) is not ineligible for assistance because of the
10 application of section 527 of the Foreign Relations
11 Authorization Act, Fiscal Years 1994 and 1995.

12 (d) AVAILABILITY OF FUNDS.—The authority pro-
13 vided by subsection (a) may be used only with regard to
14 funds appropriated by this Act under the heading “Debt
15 restructuring”.

16 (e) CERTAIN PROHIBITIONS INAPPLICABLE.—A re-
17 duction of debt pursuant to subsection (a) shall not be
18 considered assistance for purposes of any provision of law
19 limiting assistance to a country. The authority provided
20 by subsection (a) may be exercised notwithstanding sec-
21 tion 620(r) of the Foreign Assistance Act of 1961.

22 AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

23 SEC. 563. (a) LOANS ELIGIBLE FOR SALE, REDUC-
24 TION, OR CANCELLATION.—

25 (1) AUTHORITY TO SELL, REDUCE, OR CANCEL
26 CERTAIN LOANS.—Notwithstanding any other provi-

1 sion of law, the President may, in accordance with
2 this section, sell to any eligible purchaser any
3 concessional loan or portion thereof made before
4 January 1, 1995, pursuant to the Foreign Assist-
5 ance Act of 1961, to the government of any eligible
6 country as defined in section 702(6) of that Act or
7 on receipt of payment from an eligible purchaser, re-
8 duce or cancel such loan or portion thereof, only for
9 the purpose of facilitating—

10 (A) debt-for-equity swaps, debt-for-develop-
11 ment swaps, or debt-for-nature swaps; or

12 (B) a debt buyback by an eligible country
13 of its own qualified debt, only if the eligible
14 country uses an additional amount of the local
15 currency of the eligible country, equal to not
16 less than 40 percent of the price paid for such
17 debt by such eligible country, or the difference
18 between the price paid for such debt and the
19 face value of such debt, to support activities
20 that link conservation and sustainable use of
21 natural resources with local community develop-
22 ment, and child survival and other child devel-
23 opment, in a manner consistent with sections
24 707 through 710 of the Foreign Assistance Act
25 of 1961, if the sale, reduction, or cancellation

1 would not contravene any term or condition of
2 any prior agreement relating to such loan.

3 (2) TERMS AND CONDITIONS.—Notwithstanding
4 any other provision of law, the President shall, in ac-
5 cordance with this section, establish the terms and
6 conditions under which loans may be sold, reduced,
7 or canceled pursuant to this section.

8 (3) ADMINISTRATION.—The Facility, as defined
9 in section 702(8) of the Foreign Assistance Act of
10 1961, shall notify the administrator of the agency
11 primarily responsible for administering part I of the
12 Foreign Assistance Act of 1961 of purchasers that
13 the President has determined to be eligible, and
14 shall direct such agency to carry out the sale, reduc-
15 tion, or cancellation of a loan pursuant to this sec-
16 tion. Such agency shall make an adjustment in its
17 accounts to reflect the sale, reduction, or cancella-
18 tion.

19 (4) LIMITATION.—The authorities of this sub-
20 section shall be available only to the extent that ap-
21 propriations for the cost of the modification, as de-
22 fined in section 502 of the Congressional Budget Act
23 of 1974, are made in advance.

24 (b) DEPOSIT OF PROCEEDS.—The proceeds from the
25 sale, reduction, or cancellation of any loan sold, reduced,

1 or canceled pursuant to this section shall be deposited in
 2 the United States Government account or accounts estab-
 3 lished for the repayment of such loan.

4 (c) ELIGIBLE PURCHASERS.—A loan may be sold
 5 pursuant to subsection (a)(1)(A) only to a purchaser who
 6 presents plans satisfactory to the President for using the
 7 loan for the purpose of engaging in debt-for-equity swaps,
 8 debt-for-development swaps, or debt-for-nature swaps.

9 (d) DEBTOR CONSULTATIONS.—Before the sale to
 10 any eligible purchaser, or any reduction or cancellation
 11 pursuant to this section, of any loan made to an eligible
 12 country, the President should consult with the country
 13 concerning the amount of loans to be sold, reduced, or
 14 canceled and their uses for debt-for-equity swaps, debt-
 15 for-development swaps, or debt-for-nature swaps.

16 (e) AVAILABILITY OF FUNDS.—The authority pro-
 17 vided by subsection (a) may be used only with regard to
 18 funds appropriated by this Act under the heading “Debt
 19 restructuring”.

20 GUATEMALA

21 SEC. 564. (a) Funds provided in this Act may be
 22 made available for the Guatemalan military forces, and
 23 the restriction on Guatemala under the heading “Foreign
 24 Military Financing Program” shall not apply, only if the
 25 President determines and certifies to the Congress that
 26 the Guatemalan military is cooperating fully with efforts

1 to resolve human rights abuses which elements of the Gua-
 2 temalan military forces are alleged to have committed, or-
 3 dered or attempted to thwart the investigation of, and to
 4 implement the peace settlement.

5 (b) The prohibition contained in subsection (a) shall
 6 not apply to funds made available to implement a ceasefire
 7 or peace agreement.

8 (c) Any funds made available pursuant to subsections
 9 (a) or (b) shall be subject to the regular notification proce-
 10 dures of the Committees on Appropriations.

11 SANCTIONS AGAINST COUNTRIES HARBORING WAR
 12 CRIMINALS

13 SEC. 565. (a) BILATERAL ASSISTANCE.—The Presi-
 14 dent is authorized to withhold funds appropriated by this
 15 Act under the Foreign Assistance Act of 1961 or the Arms
 16 Export Control Act for any country described in sub-
 17 section (c).

18 (b) MULTILATERAL ASSISTANCE.—The Secretary of
 19 the Treasury should instruct the United States executive
 20 directors of the international financial institutions to work
 21 in opposition to, and vote against, any extension by such
 22 institutions of financing or financial or technical assist-
 23 ance to any country described in subsection (c).

24 (c) SANCTIONED COUNTRIES.—A country described
 25 in this subsection is a country the government of which

1 knowingly grants sanctuary to persons in its territory for
2 the purpose of evading prosecution, where such persons—

3 (1) have been indicted by the International
4 Criminal Tribunal for the former Yugoslavia, the
5 International Criminal Tribunal for Rwanda, or any
6 other international tribunal with similar standing
7 under international law; or

8 (2) have been indicted for war crimes or crimes
9 against humanity committed during the period be-
10 ginning March 23, 1933 and ending on May 8, 1945
11 under the direction of, or in association with—

12 (A) the Nazi government of Germany;

13 (B) any government in any area occupied
14 by the military forces of the Nazi government
15 of Germany;

16 (C) any government which was established
17 with the assistance or cooperation of the Nazi
18 government; or

19 (D) any government which was an ally of
20 the Nazi government of Germany.

21 LIMITATION ON ASSISTANCE FOR HAITI

22 SEC. 566. (a) LIMITATION.—None of the funds ap-
23 propriated or otherwise made available by this Act, may
24 be provided to the Government of Haiti until the President
25 reports to Congress that—

1 (1) the Government is conducting thorough in-
2 vestigations of extrajudicial and political killings
3 that have taken place in Haiti since February 12,
4 1996; and

5 (2) the Government has completed privatization
6 of (or placed under long-term private management
7 contract) at least three major public enterprises.

8 (b) Nothing in this section shall be construed to re-
9 strict the provision of humanitarian, law enforcement,
10 antinarotics, or electoral assistance.

11 (c) The President may waive the requirements of this
12 section on a semiannual basis if he determines and cer-
13 tifies to the appropriate committees of Congress that it
14 is in the national interest of the United States.

15 REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN

16 REPORT OF SECRETARY OF STATE

17 SEC. 567. (a) FOREIGN AID REPORTING REQUIRE-
18 MENT.—In addition to the voting practices of a foreign
19 country, the report required to be submitted to Congress
20 under section 406(a) of the Foreign Relations Authoriza-
21 tion Act, fiscal years 1990 and 1991 (22 U.S.C. 2414a),
22 shall include a side-by-side comparison of individual coun-
23 tries' overall support for the United States at the United
24 Nations and the amount of United States assistance pro-
25 vided to such country in fiscal year 1997.

1 (b) UNITED STATES ASSISTANCE.—For purposes of
2 this section, the term “United States assistance” has the
3 meaning given the term in section 481(e)(4) of the For-
4 eign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

5 RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO
6 UNITED NATIONS AGENCIES

7 SEC. 568. (a) PROHIBITION ON VOLUNTARY CON-
8 TRIBUTIONS FOR THE UNITED NATIONS.—None of the
9 funds appropriated or otherwise made available by this
10 Act may be made available to pay any voluntary contribu-
11 tion of the United States to the United Nations (including
12 the United Nations Development Program) if the United
13 Nations implements or imposes any taxation on any Unit-
14 ed States persons.

15 (b) CERTIFICATION REQUIRED FOR DISBURSEMENT
16 OF FUNDS.—None of the funds appropriated or otherwise
17 made available under this Act may be made available to
18 pay any voluntary contribution of the United States to the
19 United Nations (including the United Nations Develop-
20 ment Program) unless the President certifies to the Con-
21 gress 15 days in advance of such payment that the United
22 Nations is not engaged in any effort to implement or im-
23 pose any taxation on United States persons in order to
24 raise revenue for the United Nations or any of its special-
25 ized agencies.

1 (c) DEFINITIONS.—As used in this section the term
2 “United States person” refers to—

3 (1) a natural person who is a citizen or national
4 of the United States; or

5 (2) a corporation, partnership, or other legal
6 entity organized under the United States or any
7 State, territory, possession, or district of the United
8 States.

9 NORTH KOREA

10 SEC. 569. Ninety days after the date of enactment
11 of this Act, and every 180 days thereafter, the Secretary
12 of State, in consultation with the Secretary of Defense,
13 shall provide a report in a classified or unclassified form
14 to the Committee on Appropriations including the follow-
15 ing information:

16 (a) a best estimate on fuel used by the military
17 forces of the Democratic People’s Republic of Korea
18 (DPRK);

19 (b) the deployment position and military train-
20 ing and activities of the DPRK forces and best esti-
21 mate of the associated costs of these activities;

22 (c) steps taken to reduce the DPRK level of
23 forces; and

24 (d) cooperation, training, or exchanges of infor-
25 mation, technology or personnel between the DPRK

1 and any other nation supporting the development or
2 deployment of a ballistic missile capability.

3 ASSISTANCE TO TURKEY

4 SEC. 570. (a) Not more than \$40,000,000 of the
5 funds appropriated in this Act under the heading “Eco-
6 nomic Support Fund” may be made available for Turkey.

7 (b) Of the funds made available under the heading
8 “Economic Support Fund” for Turkey, not less than fifty
9 percent of these funds shall be made available for the pur-
10 pose of supporting private nongovernmental organizations
11 engaged in strengthening democratic institutions in Tur-
12 key, providing economic assistance for individuals and
13 communities affected by civil unrest, and supporting and
14 promoting peaceful solutions and economic development
15 which will contribute to the settlement of regional prob-
16 lems in Turkey.

17 LIMITATION ON ASSISTANCE TO THE P.L.O. AND THE
18 PALESTINIAN AUTHORITY

19 SEC. 571. (a) SENSE OF THE CONGRESS.—It is the
20 sense of the Congress that the Palestine Liberation Orga-
21 nization (hereafter the “P.L.O.”) should do far more to
22 demonstrate an irrevocable denunciation of terrorism and
23 to ensure a peaceful settlement of the Middle East dispute,
24 and in particular it should—

25 (1) submit to the Palestinian Council for formal
26 approval the necessary changes to those specific arti-

cles of the Palestinian National Charter which deny
Israel's right to exist or support the use of violence;

(2) to the maximum extent possible, preempt
acts of terror, discipline violators, publicly condemn
all terrorist acts, actively work to dismantle other
terrorist organizations, and contribute to stemming
the violence that has resulted in the deaths of over
230 Israeli and United States citizens since the signing
of the Declaration of Principles on Interim Self-
Government Arrangements (hereafter the "Declaration
of Principles") on September 13, 1993, at the
White House;

(3) prohibit participation in the P.L.O. or the
Palestinian Authority or its successors of any groups
or individuals which promote or commit acts of terrorism;

(4) cease all anti-Israel rhetoric, which potentially
undermines the peace process;

(5) confiscate all unlicensed weapons and restrict
the issuance of licenses to those with legitimate
need;

(6) transfer and cooperate in transfer proceedings
relating to any person accused by Israel or the
United States of having committed acts of terrorism
against Israeli or United States nationals; and

1 (7) respect civil liberties, human rights and
2 democratic norms as applied equally to all persons
3 regardless of ethnic, religious, or national origin.

4 (b) LIMITATION ON ASSISTANCE.—

5 (1) IN GENERAL.—Notwithstanding any other
6 provision of law, funds appropriated or otherwise
7 made available by this Act may be obligated for as-
8 sistance to the P.L.O. or the Palestinian Authority
9 only for the period beginning 3 months after the
10 date of the enactment of this Act and for 6 months
11 thereafter, and only if—

12 (A) the President has exercised the author-
13 ity under section 604(a) of the Middle East
14 Peace Facilitation Act of 1995 (title VI of Pub-
15 lic Law 104–107) or any other legislation to
16 suspend or make inapplicable section 307 of the
17 Foreign Assistance Act of 1961 and that sus-
18 pension is still in effect; and

19 (B) in addition to the requirements con-
20 tained in such Act or other legislation, the
21 President prepares and transmits to the Con-
22 gress a report described in paragraph (2).

23 (2) REPORT.—A report described in this para-
24 graph is a report containing the following:

1 (A) A description of all efforts being made
2 to apprehend, prosecute, or have extradited to
3 the United States Mohammad Deif (allegedly
4 responsible for the death of Nachshon
5 Wachsman, a United States citizen), Amjad
6 Hinawi (allegedly responsible for the death of
7 David Boim, a United States citizen), Abu
8 Abbas (responsible for the death of Leon
9 Klinghoffer, a United States citizen), Amid al-
10 Hindi (allegedly responsible for death of David
11 Berger, a United States citizen), and Nafez
12 Mahmoud Sabih (who helped plan the February
13 1996 attack on a Jerusalem bus in which Jew-
14 ish Theological Seminary students Sara Duker
15 and Matthew Eisenfeld, both United States citi-
16 zens, were murdered).

17 (B) An official, updated, and revised copy
18 of the Palestinian National Charter (Covenant)
19 showing which specific articles have been re-
20 scinded by the decision taken on April 24, 1996
21 by the P.L.O. Executive Committee.

22 (C) A description of all actions being taken
23 by the Palestinian Authority to eradicate and
24 prevent the use of the map of Israel to rep-
25 resent “Palestine”.

1 (D) A certification that the Palestinian
2 Authority has established a court system that
3 respects due process requirements, including
4 the right to a lawyer, the right to confront wit-
5 nesses, the right to be informed of the charges
6 under which one is accused, and the right to a
7 jury trial.

8 (E) A certification that the Palestinian Au-
9 thority has established humane prison condi-
10 tions.

11 (F) A certification that the Palestinian Au-
12 thority has taken all measures to rescind the
13 death penalty imposed for the sale of land to
14 Jews, has eliminated the practice of incarcerat-
15 ing real estate agents for the sale of land to
16 Jews or Israelis, and has actively sought the
17 perpetrators of such actions.

18 SENSE OF THE CONGRESS RELATING TO INTERNATIONAL
19 ADOPTION LAWS AND PRACTICES OF PARAGUAY

20 SEC. 572. It is the sense of the Congress that the
21 President and the Secretary of State should use all oppor-
22 tunities and means to express directly to all appropriate
23 officials of the Government of Paraguay that—

24 (1) the United States respects and supports the
25 commitment of the Government of Paraguay to re-

1 form its laws and practices regarding international
2 adoptions;

3 (2) the pending international adoption cases
4 filed by United States families at or prior to the es-
5 tablishment by the Government of Paraguay of a
6 moratorium on international adoptions, including the
7 11 adoption cases commonly referred to as the “win-
8 dow of opportunity” adoption cases, should be al-
9 lowed to continue and complete the adoption process
10 in a fair, unbiased, and timely fashion;

11 (3) such United States adoption cases should be
12 determined on the basis of the two key tenets for
13 international adoption in Paraguay, namely the fit-
14 ness of the petitioning family to be parents and what
15 is in the best interests and welfare of the child; and

16 (4) any international adoption reform legisla-
17 tion approved by the Government of Paraguay
18 should allow such United States adoption cases to
19 complete the adoption process.

20 SEC. 573. None of the funds appropriated or other-
21 wise made available by this Act under the heading “NON-
22 PROLIFERATION, ANTI-TERRORISM, DEMINING AND RE-
23 LATED PROGRAMS” that are made available for the Inter-
24 national Atomic Energy Agency shall be made available
25 for programs and projects of such Agency in Cuba.

1 PROHIBITION OF ASSISTANCE TO CAMBODIA

2 SEC. 574. (a) None of the funds appropriated in this
3 Act may be made available to the Government of Cam-
4 bodia.

5 (b) None of the funds appropriated in this Act for
6 the International Development Association, the Inter-
7 national Monetary Fund, or the Asian Development Bank
8 may be used for any loan to the Government of Cambodia.

9 LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF
10 CROATIA

11 SEC. 575. None of the funds appropriated or other-
12 wise made available by title II of this Act may be made
13 available to the Government of Croatia to relocate the re-
14 mains of Croatian Ustashe soldiers, at the site of the
15 World War II concentration camp at Jasenovac, Croatia.

16 LIMITATION ON PROCUREMENT OUTSIDE THE UNITED
17 STATES

18 SEC. 576. Funds appropriated or otherwise made
19 available by this Act may be used for procurement outside
20 the United States or less developed countries only if—

21 (1) such funds are used for the procurement of
22 commodities or services, or defense articles or de-
23 fense services, produced in the country in which the
24 assistance is to be provided, except that this para-
25 graph only applies if procurement in that country

1 would cost less than procurement in the United
2 States or less developed countries;

3 (2) the provision of such assistance requires
4 commodities or services, or defense articles or de-
5 fense services, of a type that are not produced in,
6 and available for purchase from, the United States,
7 less developed countries, or the country in which the
8 assistance is to be provided; or

9 (3) the President determines on a case-by-case
10 basis that procurement outside the United States or
11 less developed countries would result in the more ef-
12 ficient use of United States foreign assistance re-
13 sources.

14 SEC. 577. None of the funds in this Act may be used
15 to pay for NATO expansion not authorized by law.

16 SEC. 578. None of the funds appropriated in this Act
17 may be made available directly to the government of Cam-
18 bodia.

19 SEC. 579. The amounts otherwise provided by this
20 Act are revised by reducing the amount made available
21 for “ECONOMIC SUPPORT FUND”, and increasing the
22 amount made available for “CONTRIBUTION TO THE AFRI-
23 CAN DEVELOPMENT FUND” (as authorized by section
24 526(c) of Public Law 103–306; 108 Stat. 1632), by
25 \$25,000,000.

1 SENSE OF THE CONGRESS REGARDING COSTS OF THE
 2 PARTNERSHIP FOR PEACE PROGRAM AND NATO EX-
 3 PANSION

4 SEC. 580. It is the sense of the Congress that all
 5 member nations of the North Atlantic Treaty Organiza-
 6 tion (NATO) should contribute their proportionate share
 7 to pay for the costs of the Partnership for Peace program
 8 and for any future costs attributable to the expansion of
 9 NATO.

10 FOREIGN ORGANIZATIONS THAT PERFORM OR PROMOTE
 11 ABORTION OVERSEAS; FORCED ABORTION IN THE
 12 PEOPLE'S REPUBLIC OF CHINA

13 SEC. 581. (a) Section 104 of the Foreign Assistance
 14 Act of 1961 is amended by adding at the end the following
 15 new subsection:

16 “(h) RESTRICTION ON ASSISTANCE TO FOREIGN OR-
 17 GANIZATIONS THAT PERFORM OR ACTIVELY PROMOTE
 18 ABORTIONS.—

19 “(1) PERFORMANCE OF ABORTIONS.—

20 “(A) Notwithstanding section 614 of this
 21 Act or any other provision of law, no funds ap-
 22 propriated for population planning activities or
 23 other population assistance may be made avail-
 24 able for any foreign private, nongovernmental,
 25 or multilateral organization until the organiza-
 26 tion certifies that it will not, during the period

1 for which the funds are made available, perform
2 abortions in any foreign country, except where
3 the life of the mother would be endangered if
4 the pregnancy were carried to term or in cases
5 of forcible rape or incest.

6 “(B) Subparagraph (A) may not be con-
7 strued to apply to the treatment of injuries or
8 illnesses caused by legal or illegal abortions or
9 to assistance provided directly to the govern-
10 ment of a country.

11 “(2) LOBBYING ACTIVITIES.—(A) Notwith-
12 standing section 614 of this Act or any other provi-
13 sion of law, no funds appropriated for population
14 planning activities or other population assistance
15 may be made available for any foreign private, non-
16 governmental, or multilateral organization until the
17 organization certifies that it will not, during the pe-
18 riod for which the funds are made available, violate
19 the laws of any foreign country concerning the cir-
20 cumstances under which abortion is permitted, regu-
21 lated, or prohibited, or engage in any activity or ef-
22 fort to alter the laws or governmental policies of any
23 foreign country concerning the circumstances under
24 which abortion is permitted, regulated, or prohibited.

1 “(B) Subparagraph (A) shall not apply to ac-
2 tivities in opposition to coercive abortion or involun-
3 tary sterilization.

4 “(3) APPLICATION TO FOREIGN ORGANIZA-
5 TIONS.—The prohibitions of this subsection apply to
6 funds made available to a foreign organization either
7 directly or as a subcontractor or subgrantee, and the
8 certifications required by paragraphs (1) and (2)
9 apply to activities in which the organization engages
10 either directly or through a subcontractor or sub-
11 grantee.”.

12 (b) Section 301 of the Foreign Assistance Act of
13 1961 is amended by adding at the end the following new
14 subsection:

15 “(i) LIMITATION RELATING TO FORCED ABORTIONS
16 IN THE PEOPLE’S REPUBLIC OF CHINA.—Notwithstand-
17 ing section 614 of this Act or any other provision of law,
18 no funds may be made available for the United Nations
19 Population Fund (UNFPA) in any fiscal year unless the
20 President certifies that—

21 “(1) UNFPA has terminated all activities in
22 the People’s Republic of China, and the United
23 States has received assurances that UNFPA will
24 conduct no such activities during the fiscal year for
25 which the funds are to be made available; or

1 “(2) during the 12 months preceding such cer-
2 tification there have been no abortions as the result
3 of coercion associated with the family planning poli-
4 cies of the national government or other govern-
5 mental entities within the People’s Republic of
6 China.

7 As used in this section, the term ‘coercion’ includes phys-
8 ical duress or abuse, destruction or confiscation of prop-
9 erty, loss of means of livelihood, or severe psychological
10 pressure.”.

11 This Act may be cited as the “Foreign Operations,
12 Export Financing, and Related Programs Appropriations
13 Act, 1998”.

 Passed the House of Representatives September 4,
1997.

Attest:

ROBIN H. CARLE,
Clerk.